

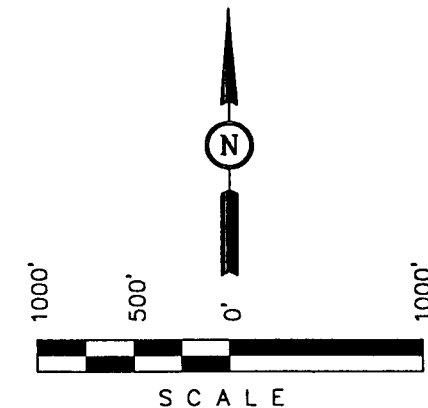


# COASTAL OIL & GAS CORP.

Well location, NBU #354, located as shown in the NE 1/4 NW 1/4 of Section 31, T9S, R22E, S.L.B.&M., Uintah County, Utah.

## BASIS OF ELEVATION

TWO WATER TRIANGULATION STATION LOCATED IN THE NW 1/4 OF SECTION 1, T10S, R21E, S.L.B.&M. TAKEN FROM THE BIG PACK MTN NE QUADRANGLE, UTAH, UTAH COUNTY, 7.5 MINUTE SERIES (TOPOGRAPHICAL MAP) PUBLISHED BY THE UNITED STATES DEPARTMENT OF THE INTERIOR, GEOLOGICAL SURVEY. SAID ELEVATION IS MARKED AS BEING 5238 FEET.



## CERTIFICATE

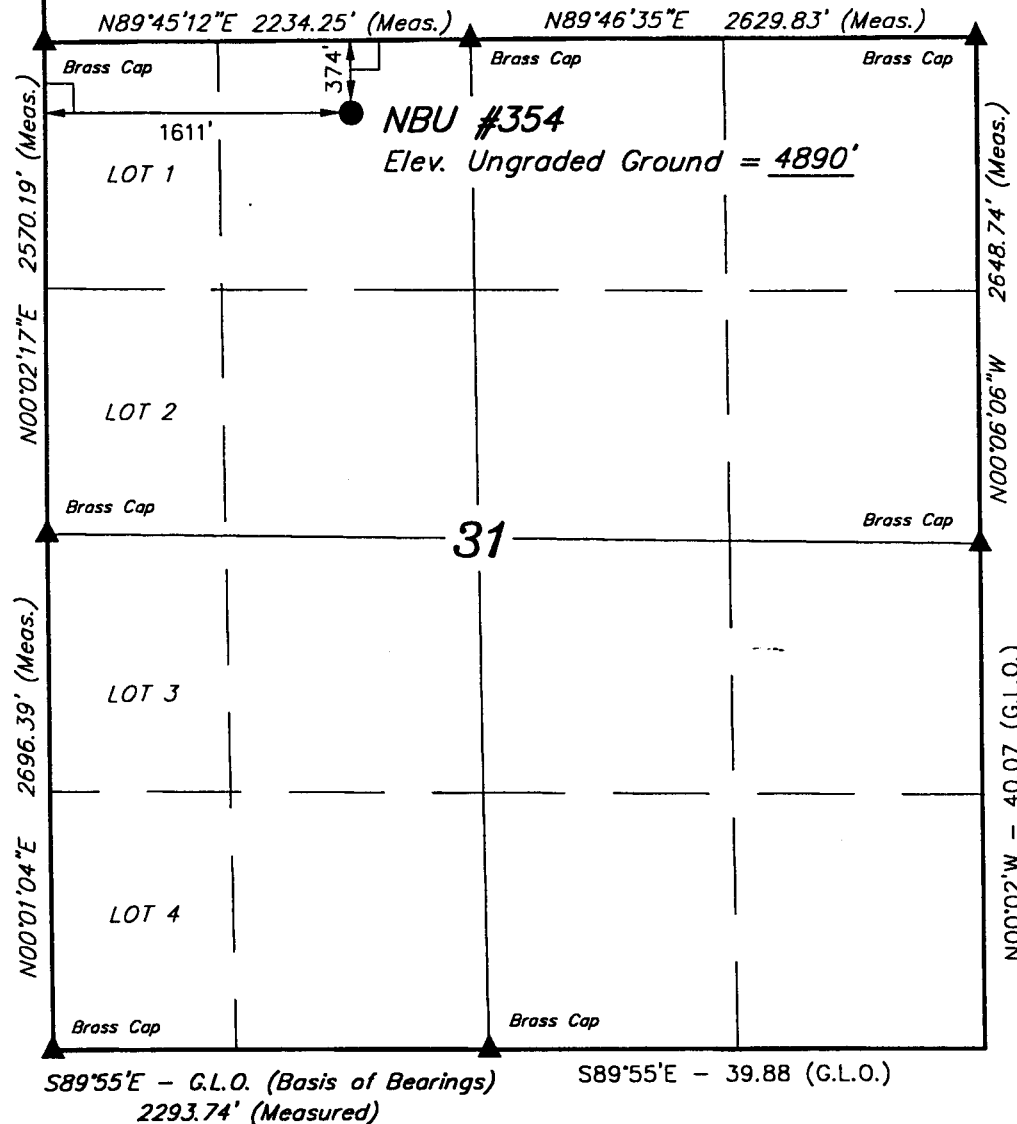
THIS IS TO CERTIFY THAT THE ABOVE PLAT WAS PREPARED FROM FIELD NOTES OF ACTUAL SURVEYS MADE BY ME OR UNDER MY SUPERVISION AND THAT THE SAME ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF.

ROBERT L. JOHNSON  
REGISTERED LAND SURVEYOR  
REGISTRATION NO. 161319  
STATE OF UTAH

**UINTAH ENGINEERING & LAND SURVEYING**  
85 SOUTH 200 EAST - VERNAL, UTAH 84078  
(435) 789-1017

SCALE 1" = 1000'	DATE SURVEYED: 08-31-98	DATE DRAWN: 09-03-98
PARTY G.S. C.T. D.R.B.	REFERENCES G.L.O. PLAT	
WEATHER WARM	FILE COASTAL OIL & GAS CORP.	

R R  
21 22  
E E  
T9S, R22E, S.L.B.&M.



## LEGEND:

- └─┘ = 90° SYMBOL
- = PROPOSED WELL HEAD.
- ▲ = SECTION CORNERS LOCATED.

**NBU 354  
374' FNL & 1611' FWL  
SECTION 31-T9S-R22E  
UINTAH COUNTY, UTAH  
LEASE NUMBER: U-464**

**ONSHORE ORDER NO. 1  
COASTAL OIL & GAS CORPORATION**

***DRILLING PROGRAM***

**1. Estimated Tops of Important Geologic Markers:**

<u>Formation</u>	<u>Depth</u>
Duchesne River/Uinta	Surface
Green River	1,730'
Mahogany Bench	2,505'
Wasatch	4,524'
Mesaverde Sand	7,034'
Total Depth	7,800'

**2. Estimated Depths of Anticipated Water, Oil, Gas, or Mineral Formations:**

<u>Substance</u>	<u>Formation</u>	<u>Depth</u>
Oil/Gas	Green River	1,730'
	Mahogany Bench	2,505'
	Wasatch	4,524'
	Mesaverde Sand	7,034'
Water	N/A	
Other Minerals	N/A	

**3. Pressure Control Equipment:**

*Please see the Natural Buttes Unit Standard Operating Procedure (SOP).*

**4. Proposed Casing & Cementing Program:**

*Please see the Natural Buttes Unit SOP.*

**5. Drilling Fluids Program:**

*Please see the Natural Buttes Unit SOP.*

**6. Evaluation Program:**

*Please see the Natural Buttes Unit SOP.*

7. **Abnormal Conditions:**

Maximum anticipated bottomhole pressure approximately equals 3,120 psi (calculated at 0.4 psi/foot).

Maximum anticipated surface pressure equals approximately 1,404 psi (bottomhole pressure minus the pressure of a partially evacuated hole calculated at 0.22 psi/foot).

8. **Anticipated Starting Dates & Notification of Operations:**

*Please see the Natural Buttes Unit SOP.*

9. **Variances:**

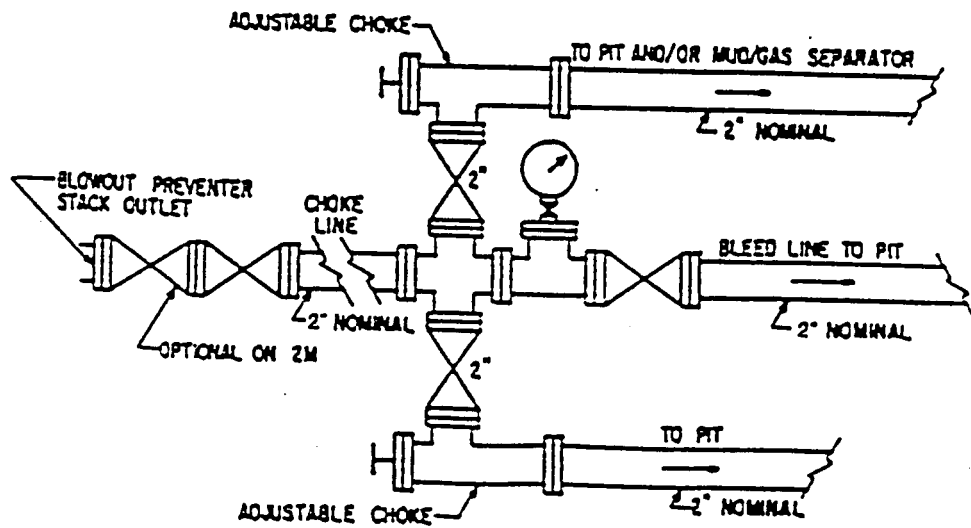
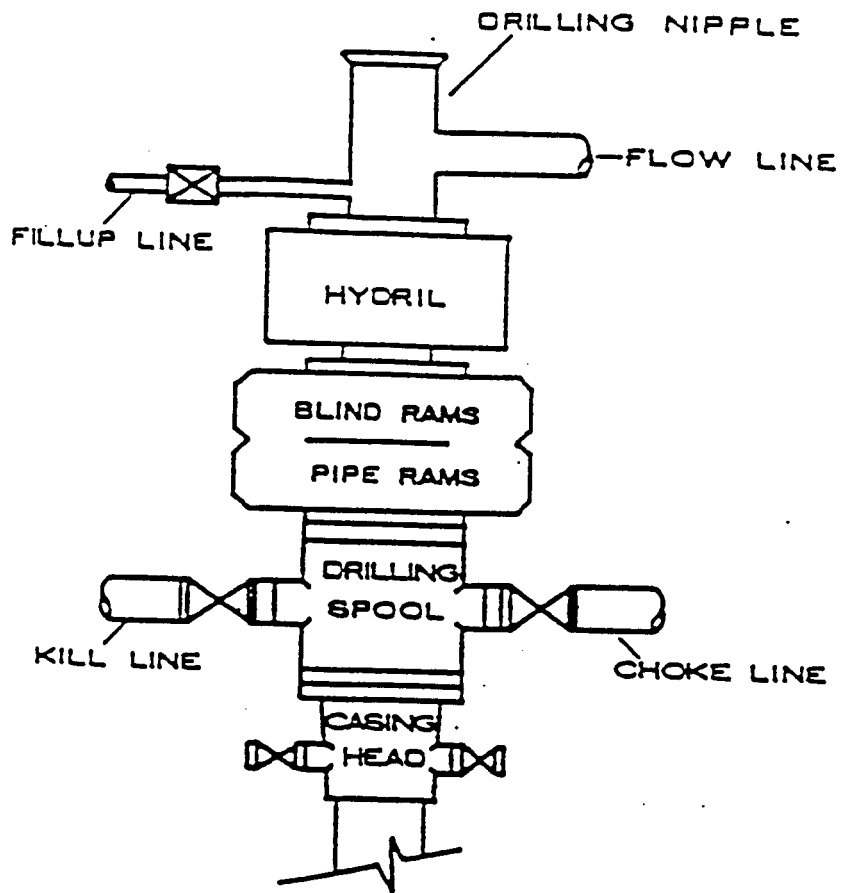
*Please see the Natural Buttes Unit SOP.*

10. **Other Information:**

*Please see the Natural Buttes Unit SOP.*

# BOP STACK

3,000 PSI



3,000 PSI CHOKER MANIFOLD

**NBU 354  
374' FNL & 1611' FWL  
NE/NW, SECTION 31-T9S-R22E  
UINTAH COUNTY, UTAH  
LEASE NUMBER: U-464**

**ONSHORE ORDER NO. 1**

***MULTI-POINT SURFACE USE & OPERATIONS PLAN***

An onsite inspection was conducted for the NBU 354 on 10/1/98 at approximately 11:30 a.m. Weather conditions were warm at the time of the onsite. In attendance at the inspection were the following individuals:

Sheila Bremer	Coastal Oil & Gas Corporation
Paul Breshears	Coastal Oil & Gas Corporation
Byron Tolman	Bureau of Land Management
Steve Madeson	Bureau of Land Management
Steve Strong	Bureau of Land Management
Robert Kay	Uintah Engineering & Land Surveying
Harley Jackson	Jackson Construction
Jim Justice	J-West
John Faucett	John E. Faucett Construction

**1. Existing Roads:**

The proposed well site is approximately 50.7 miles from Vernal, Utah. Directions to the location from Vernal, Utah:

Proceed in a westerly direction from Vernal, Utah along U.S. Highway 40 approximately 14.0 miles to the junction of State Highway 88; turn left and proceed in a southerly direction approximately 17.0 miles on State Highway 88 to Ouray, Utah; proceed in a southerly direction approximately 6.9 miles on the Seep Ridge Road to the junction of this road and an existing road to the east; turn left and proceed in an easterly direction approximately 5.0 miles to the junction of this road and an existing road to the north; turn left and proceed in a northwesterly direction approximately 0.3 miles to the junction of this road and an existing road to the northeast; proceed in a northeasterly direction approximately 4.7 miles to the junction of this road and an existing road to the south; turn right and proceed in a southwesterly, then southeasterly, then northeasterly direction approximately 2.5 miles to the beginning of the proposed access road to the northeast; follow road flags in a northeasterly direction approximately 0.3 miles to the proposed location.

Refer to Topo Maps A and B for location of access roads within a 2-mile radius.

There will be no improvements made to existing access roads.

2. **Planned Access Roads:**

*Please see the Natural Buttes Unit Standard Operating Procedure (SOP).*

Refer to Topo Map B for the location of the proposed access road.

3. **Location of Existing Wells Within a 1-Mile Radius:**

Please refer to Topo Map C.

4. **Location of Existing & Proposed Facilities:**

*Please see the Natural Buttes Unit SOP.*

Refer to Topo Map D for the location of the proposed pipeline.

5. **Location and Type of Water Supply:**

*Please see the Natural Buttes Unit SOP.*

6. **Source of Construction Materials:**

*Please see the Natural Buttes Unit SOP.*

7. **Methods of Handling Waste Materials:**

*Please see the Natural Buttes Unit SOP.*

8. **Ancillary Facilities:**

*Please see the Natural Buttes Unit SOP.*

9. **Well Site Layout:** (See Location Layout Diagram)

The attached Location Layout Diagram describes drill pad cross-sections, cuts and fills, and locations of the mud tanks, reserve pit, flare pit, pipe racks, trailer parking, spoil dirt stockpile(s), and surface material stockpile(s).

Please see the attached diagram to describe rig orientation, parking areas, and access roads.

As per the onsite discussions, a reserve pit liner will be required.

10. **Plans for Reclamation of the Surface:**

*Please see the Natural Buttes Unit SOP.*

The following seed mixture will be used to reclaim the surface. A total of 12 lbs./acre will be used if the seeds are drilled (24 lbs./acre if the seeds are broadcast). The per acre requirements for *drilled* seed are:

Four Wing	4 lbs.
Shadscale	3 lbs.
Needle & Thread	3 lbs.
Western Wheat	2 lbs.

**11. Surface Ownership:**

The well pad and access road are located on lands owned by:

United States of America  
Bureau of Land Management  
170 South 500 East  
Vernal, Utah 84078  
(801) 789-1362

The portion of the access road in Section 31-T9S-R22E is owned by the State of Utah. Per Dave Hackford with the State of Utah, it is not necessary for the State to attend an onsite.

**12. Other Information:**

A Class III archaeological survey was conducted by Montgomery Archaeological Consultants. A copy of this report was submitted directly to the appropriate agencies by Montgomery Archaeological Consultants. Cultural resource clearance was recommended for this location.

A paleontological survey was conducted by Uinta Palo. A copy of this report was submitted directly to the appropriate agencies.

**13. Lessee's or Operators's Representative & Certification:**

Sheila Bremer  
Environmental & Safety Analyst  
Coastal Oil & Gas Corporation  
P.O. Box 749  
Denver, CO 80201-0749  
(303) 573-4455

Tom Young  
Drilling Manager  
Coastal Oil & Gas Corporation  
9 Greenway Plaza, Suite 2770  
Houston, TX 77046  
(713) 418-4156

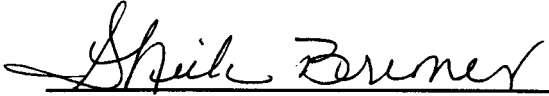
Certification: All lease and/or unit operations will be conducted in such a manner that full compliance is made with all applicable laws, regulations, Onshore Oil and Gas Orders, the approved Plan of Operations, and any applicable Notice to Lessees.

The Operator will be fully responsible for the actions of its subcontractors. A complete copy of the approved "Application for Permit to Drill" will be furnished to the field representative(s) to ensure compliance and shall be on location during all construction and drilling operations.

I hereby certify that I, or persons under my supervision, have inspected the proposed drill site and access route, that I am familiar with the conditions that currently exist; that the statements made



in this plan are, to the best of my knowledge, true and correct; and the work associated with the operations proposed herein will be performed by the Operator, its contractors, and subcontractors in conformity with this plan and the terms and conditions under which it is approved.

  
\_\_\_\_\_  
Sheila Bremer

10/16/98  
Date

# COASTAL OIL & GAS CORP.

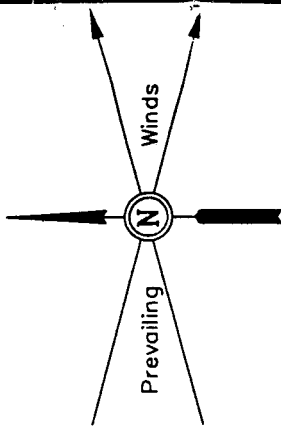
## LOCATION LAYOUT FOR

NBU #354

SECTION 31, T9S, R22E, S.L.B.&M.

374' FNL 1611' FWL

FIGURE #1



SCALE: 1" = 50'

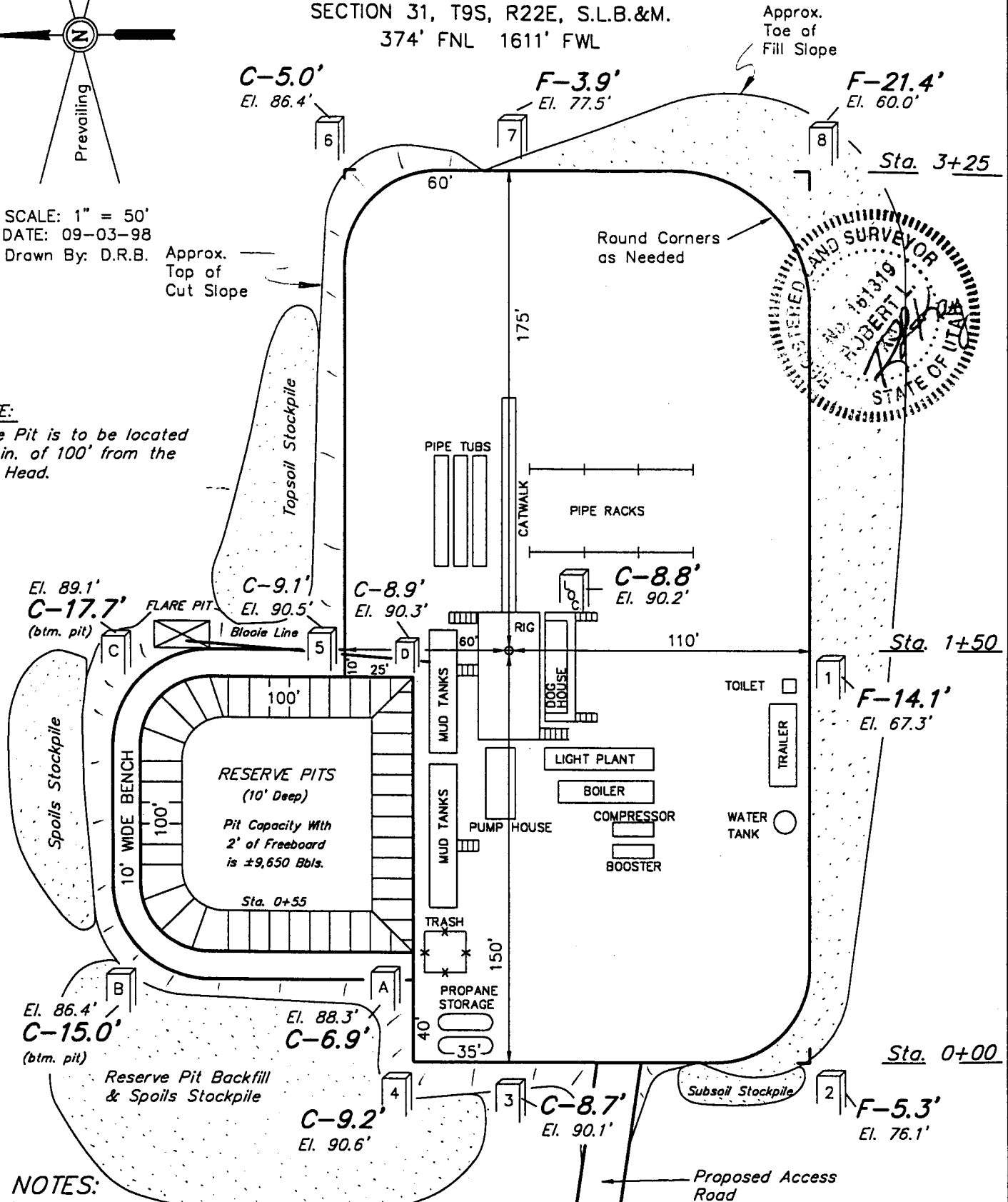
DATE: 09-03-98

Drawn By: D.R.B.

Approx.  
Top of  
Cut Slope

### NOTE:

Flare Pit is to be located  
a min. of 100' from the  
Well Head.



### NOTES:

Elev. Ungraded Ground At Loc. Stake = 4890.2'

FINISHED GRADE ELEV. AT LOC. STAKE = 4881.4'

UINTAH ENGINEERING & LAND SURVEYING

85 So. 200 East • Vernal, Utah 84078 • (435) 789-1017

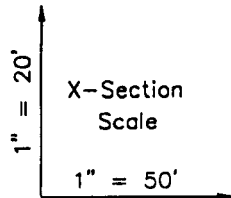
# COASTAL OIL & GAS COMP.

## TYPICAL CROSS SECTIONS FOR

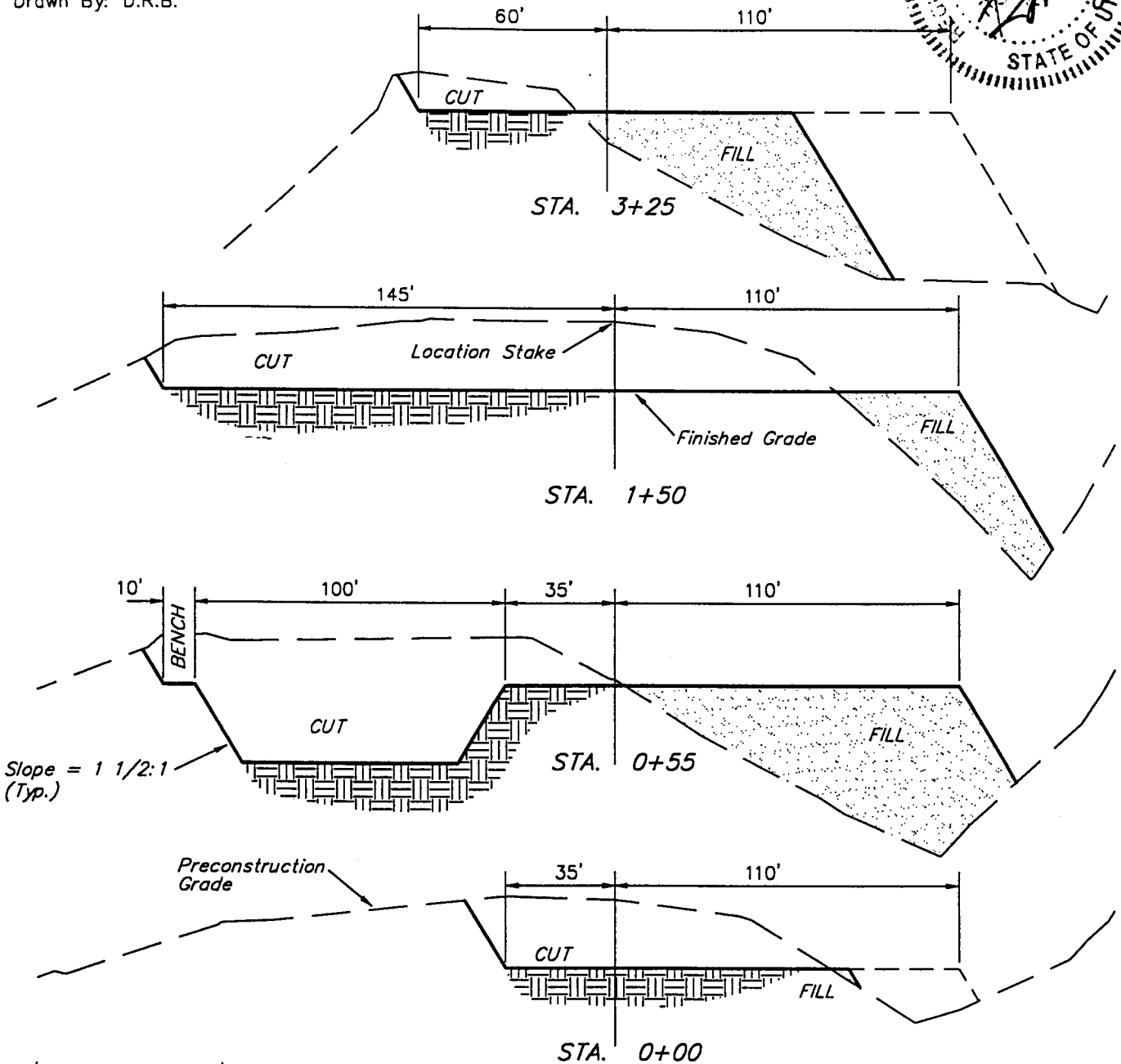
NBU #354

SECTION 31, T9S, R22E, S.L.B.&M.

374' FNL 1611' FWL



DATE: 09-03-98  
Drawn By: D.R.B.



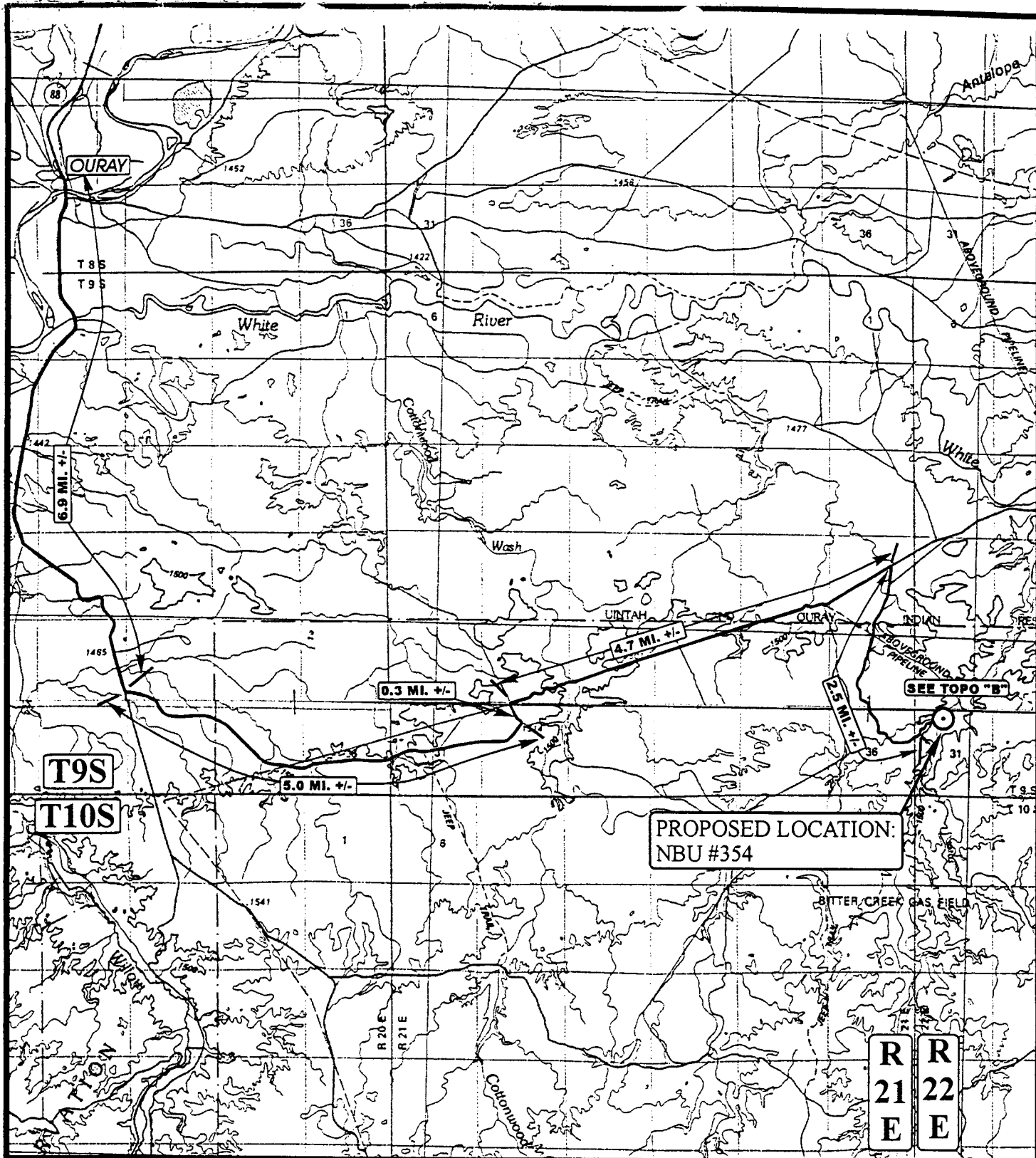
**FIGURE #2**

### APPROXIMATE YARDAGES

CUT	
(6") Topsoil Stripping	= 1,140 Cu. Yds.
Remaining Location	= 12,720 Cu. Yds.
<b>TOTAL CUT</b>	<b>= 13,860 CU.YDS.</b>
<b>FILL</b>	<b>= 10,810 CU.YDS.</b>

EXCESS MATERIAL AFTER 5% COMPACTION	= 2,480 Cu. Yds.
Topsoil & Pit Backfill (1/2 Pit Vol.)	= 2,480 Cu. Yds.
EXCESS UNBALANCE (After Rehabilitation)	= 0 Cu. Yds.

**UINTAH ENGINEERING & LAND SURVEYING**  
85 So. 200 East • Vernal, Utah 84078 • (435) 789-1017



# LEGEND:

○ PROPOSED LOCATION



## COASTAL OIL & GAS CORP.

NBU #354  
SECTION 31, T9S, R22E, S.L.B.&M.  
374' FNL 1161' FWL



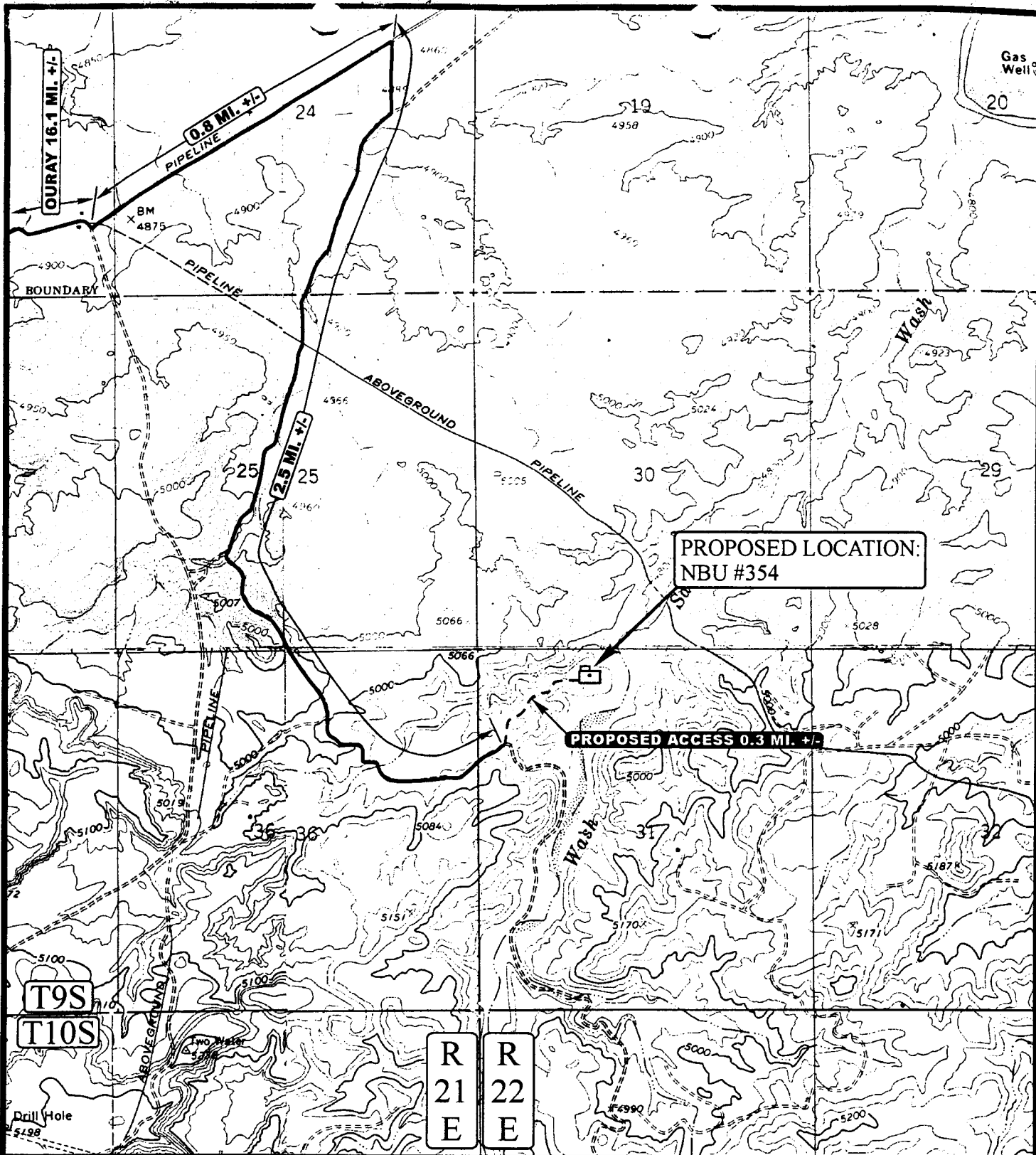
Uintah Engineering & Land Surveying  
85 South 200 East Vernal, Utah 84078  
(435) 789-1017 \* FAX (435) 789-1813

TOPOGRAPHIC  
MAP

9 1 98  
MONTH DAY YEAR

SCALE: 1 : 100,000 DRAWN BY: J.L.G. REVISED: 00-00-00





# LEGEND:

--- PROPOSED ACCESS ROAD  
 — EXISTING ROAD

## COASTAL OIL & GAS CORP.

NBUS #354

SECTION 31, T9S, R22E, S.L.B.&M.  
 374' FNL 1161' FWL

U  
E  
I  
S

Uintah Engineering & Land Surveying  
 85 South 200 East Vernal, Utah 84078  
 (435) 789-1017 \* FAX (435) 789-1813



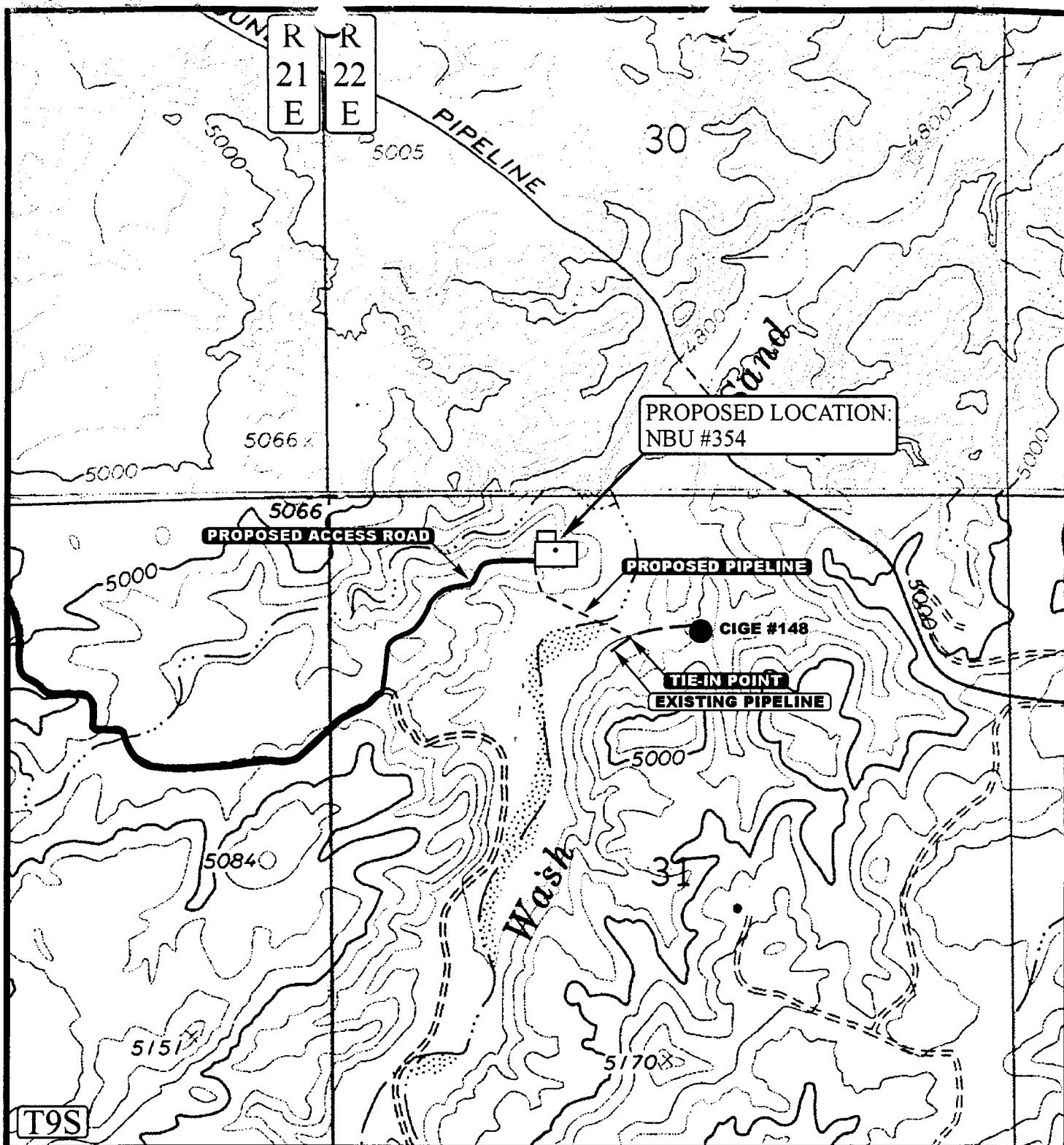
TOPOGRAPHIC  
 MAP

9 1 98  
 MONTH DAY YEAR

SCALE: 1" = 2000' DRAWN BY: J.L.G. REVISED: 00-00-00

B  
 TOPO





APPROXIMATE TOTAL PIPELINE DISTANCE = 900' +/-

**LEGEND:**

- EXISTING PIPELINE
- - - PROPOSED PIPELINE
- PROPOSED ACCESS

COASTAL OIL & GAS CORP.

NBU #354

SECTION 31, T9S, R22E, S.L.B.&M.

374' FNL 1161' FWL



Uintah Engineering & Land Surveying  
85 South 200 East Vernal, Utah 84078  
(435) 789-1017 \* FAX (435) 789-1813



TOPOGRAPHIC  
MAP

9 1 98  
MONTH DAY YEAR

SCALE: 1" = 1000' DRAWN BY: J.L.G. REVISED: 00-00-00

D  
TOPO

WORKSHEET  
APPLICATION FOR PERMIT TO DRILL

APD RECEIVED: 10/19/98

API NO. ASSIGNED: 43-047-33231

WELL NAME: NBU 354  
OPERATOR: COASTAL OIL & GAS CORP (N0230)  
CONTACT: Stella Bremer (303) 573-4455

PROPOSED LOCATION:

NENW 31 - T09S - R22E  
SURFACE: 0374-FNL-1611-FWL  
BOTTOM: 0374-FNL-1611-FWL  
UINTAH COUNTY  
NATURAL BUTTES FIELD (630)

LEASE TYPE: FED

LEASE NUMBER: U-464

SURFACE OWNER: Federal

INSPECT LOCATION BY: / /

TECH REVIEW	Initials	Date
Engineering	<u>RSK</u>	<u>11-2-98</u>
Geology		
Surface		

PROPOSED FORMATION: MVRD

RECEIVED AND/OR REVIEWED:

☒ Plat  
☒ Bond: Federal ☒ State ☐ Fee ☐  
(No. U605382-9)  
☐ Potash (Y/N)  
☒ Oil Shale (Y/N) \*190-5(B)  
☒ Water Permit  
(No. 43-8496 #53617 / Dalbo)  
☐ RDCC Review (Y/N)  
(Date: \_\_\_\_\_)  
☐ Fee Surf Agreement (Y/N)

LOCATION AND SITING:

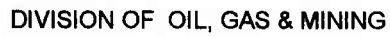
☒ R649-2-3. Unit Natural Buttes  
☐ R649-3-2. General  
☐ R649-3-3. Exception  
☒ Drilling Unit  
Board Cause No: 173-14 \*APD ext. 2/2001  
Date: 12-2-99  
460' fr. Unit Boundary E. Uncomm. Tract.

COMMENTS: \*Natural Buttes Unit Standard Operating Procedure (SOP), separate file.

STIPULATIONS: ① In accordance with Order in Cause No. 190-5(b) dated October 28, 1982, the Operator shall comply with requirements of Rule R649-3-31 pertaining to Designated Oil Shale Areas. Additionally, the operator shall ensure that the surface and/or production casing is properly cemented over the entire oil shale interval as defined by Rule R649-3-31. For the proposed well this interval is approximately 3066 ' to 3754 ' below GL. The Operator shall report the actual depth the oil shale is encountered to the Division.

2830      2933  
② FEDERAL APPROVAL





OPERATOR: COASTAL OIL & GAS (N0230)  
FIELD: NATURAL BUTTES (630)  
SEC. 30 & 31, TWP 9S, RNG 22E  
COUNTY: UINTAH UNIT: NATURAL BUTTES



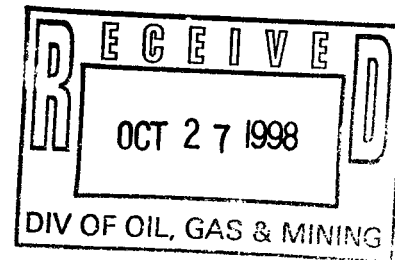
United States Department of the Interior

BUREAU OF LAND MANAGEMENT  
Utah State Office  
P.O. Box 45155  
Salt Lake City, Utah 84145-0155

IN REPLY REFER TO:  
3160  
(UT-922)

Memorandum

To: Assistant District Manager Minerals, Vernal District  
From: Michael Coulthard, Petroleum Engineer  
Subject: 1998 Plan of Development Natural Buttes Unit  
Uintah County, Utah.



Pursuant to email between Lisha Cordova, Division of Oil, Gas and Mining, and Mickey Coulthard, Utah State Office, Bureau of Land Management. The following well(s) is/are planned for calendar year 1998 within the Natural Buttes Unit, Uintah County, Utah.

API #	WELL NAME	LOCATION
43-047-33231	NBU 354	0374-FNL 1611-FWL 31 09S 22E
43-047-33232	NBU 356	0705-FNL 1980-FWL 30 09S 22E
43-047-33233	NBU 352	1400-FNL 0900-FWL 09 09S 21E

This office has no objection to permitting the well(s) at this time.

/s/ Michael L. Coulthard

bcc: File - Natural Buttes  
Division of Oil Gas and Mining  
Agr. Sec. Chron  
Fluid Chron

MCoulthard:mc:--



State of Utah  
DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF OIL, GAS AND MINING

Michael O. Leavitt  
Governor  
Ted Stewart  
Executive Director  
Lowell P. Braxton  
Division Director

1594 West North Temple, Suite 1210  
PO Box 145801  
Salt Lake City, Utah 84114-5801  
801-538-5340  
801-359-3940 (Fax)  
801-538-7223 (TDD)

November 2, 1998

Coastal Oil & Gas Corporation  
P.O. Box 749  
Denver, Colorado 80201-0749

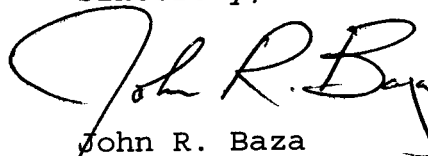
Re: NBU 354 Well, 374' FNL, 1611' FWL, NE NW, Sec. 31, T. 9 S.,  
R. 22 E., Uintah County, Utah

Gentlemen:

Pursuant to the provisions and requirements of Utah Code Ann. 40-6-1 et seq., Utah Administrative Code R649-3-1 et seq., and the attached Conditions of Approval, approval to drill the referenced well is granted.

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date. The API identification number assigned to this well is 43-047-33231.

Sincerely,

  
John R. Baza  
Associate Director

lwp

Enclosures

cc: Uintah County Assessor  
Bureau of Land Management, Vernal District Office

Operator: Coastal Oil & Gas Corporation  
Well Name & Number: NBU 354  
API Number: 43-047-33231  
Lease: Federal Surface Owner: Federal  
Location: NE NW Sec. 31 T. 9 S. R. 22 E.

### Conditions of Approval

1. General

Compliance with the requirements of Utah Admin. R. 649-1 et seq., the Oil and Gas Conservation General Rules, and the applicable terms and provisions of the approved Application for Permit to Drill.

2. Notification Requirements

Notify the Division within 24 hours of spudding the well. Contact Carol Daniels at (801) 538-5284.

Notify the Division prior to commencing operations to plug and abandon the well. Contact Dan Jarvis at (801) 538-5338 or Robert Krueger at (801) 538-5274.

3. Reporting Requirements

All required reports, forms and submittals shall be promptly filed with the Division, including but not limited to the Entity Action Form (Form 6), Report of Water Encountered During Drilling (Form 7), Weekly Progress Reports for drilling and completion operations, and Sundry Notices and Reports on Wells requesting approval of change of plans or other operational actions.

4. State approval of this well does not supersede the required federal approval which must be obtained prior to drilling.

5. In accordance with the Order in Cause No. 190-5(b) dated October 28, 1982, the operator shall comply with the requirements of Rule R649-3-31 pertaining to Designated Oil Shale Areas. Additionally, the operator shall ensure that the surface and/or production casing is properly cemented over the entire oil shale interval as defined by Rule R649-3-31. For the proposed well this interval is approximately 2,830' to 2,933' below G.L. The operator shall report the actual depth the oil shale is encountered to the Division.



# State of Utah

*School and Institutional*  
TRUST LANDS ADMINISTRATION

Michael O. Leavitt  
Governor

David T. Terry  
Director

675 East 500 South, Suite 500  
Salt Lake City, Utah 84102-2818  
801-538-5100  
801-355-0922 (Fax)  
<http://www.trustlands.com>

November 23, 1998

Coastal Oil & Gas Corporation  
P.O. Box 749  
Denver, Colorado 80201-0749

Re: Paleontological Filed Survey, Well Site NBU # 354, Section 31, T. 9 S., R. 22 E. SLB&M  
Unitah County, Utah

43-047-33231

Attn: Sheila Bremmer

Dear Ms. Bremmer:

The School and Institutional Trust Lands Administration ("Trust Lands Administration") has reviewed the above referenced paleontological report which was performed on October 6, 1998, by Uinta Paleontological Associates of Vernal, Utah. The purpose of the report was to identify any paleontological resources at drill site NUB # 354 and along the proposed route to the drillsite. The drill site is located on lands managed by the Bureau of Land Management (BLM) in the NE $\frac{1}{4}$ NW $\frac{1}{4}$  of Section 31, T. 9 S., R. 22 E. SLB&M. Portions of the access route traverse lands managed by the Trust Lands Administration in Lot 1 of the same Section, Township and Range. The field report identified two significant paleontological sites along the proposed access route. The majority of the largest site, site # 42UN1140V, lies on BLM lands and the entire smaller site, site # 42UN1139V, lies on school trust lands in Lot 1 of Section 31. (See Attached Map). Section 31 is a narrow Section with the lands being lotted on the west side.

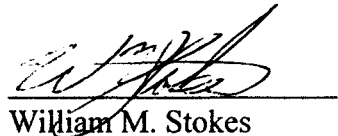
Under Section 63-73-11 of the Utah Code Annotated the Trust Lands Administration is obligated to preserve and protect the state's paleontological resources, therefore, the Trust Lands Administration cannot allow construction of the proposed access road to drill site NBU # 354 where, in the opinion of the principal field investigator, state paleontological resources will be disturbed or destroyed.

On December, 8 1998, Mr. Byron Tollman, of the BLM district office in Vernal, and Sue Ann Bilby, of Uinta Paleontological Associates, will conduct a reassessment of the proposed access route in order to identify an alternate route that will avoid the identified paleontological resources. In order to avoid destruction of paleontological resource that are not evident on the surface the Trust Lands Administration will also recommend that road construction, across lands where paleontological resources may occur, be monitored by a qualified paleontologist.

November 23, 1998  
Coastal Oil & Gas Corp.  
Page 2

If you have any questions regarding this matter please feel free to contact me at the address on this letterhead.

Sincerely,

A handwritten signature in dark ink, appearing to read 'W. M. Stokes', is written over a horizontal line.

William M. Stokes  
Minerals Resource Specialist

cc: Byron Tollman, Vernal B.M.  
Sue Ann Bilby, Uinta Paleontological Associates  
Kenny Wintch, Trust Lands Administration  
Gilbert Hunt, Division of Oil, Gas and Mining

R22E

4428000m N

T. 9 S

T. 10 S

4426

4425

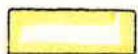
57'30"

4423

**COASTAL OIL DRILL SITE LOCATION**  
**T. 9 S., R. 22 E. SLB&M**  
**Section 31**



Trust Lands



BLM Land



Proposed Access Road



Drill Site Location (NBU#354)

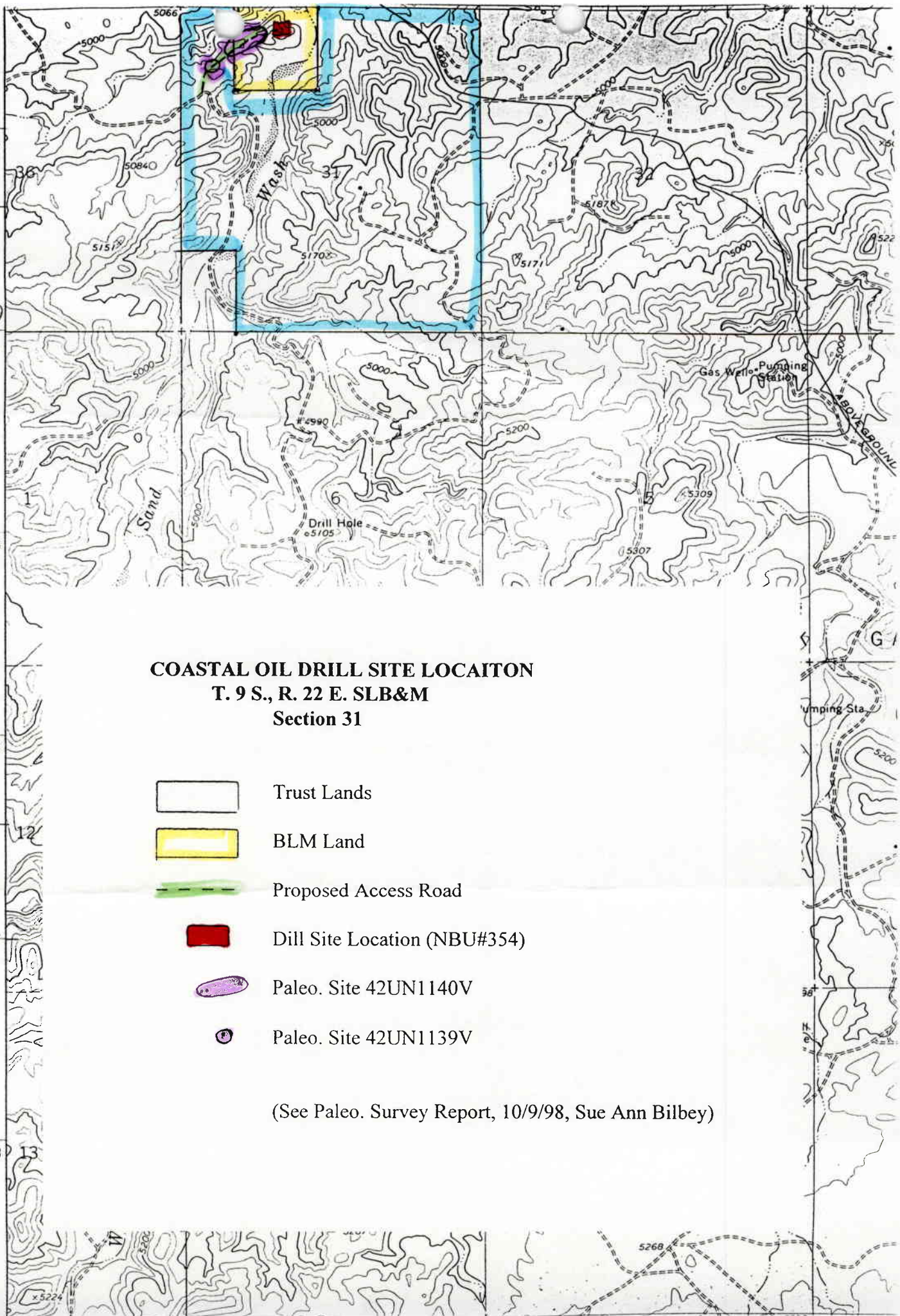


Paleo. Site 42UN1140V



Paleo. Site 42UN1139V

(See Paleo. Survey Report, 10/9/98, Sue Ann Bilbey)





UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

1a. TYPE OF WORK

DRILL ☒

DEEPEN ☐

b. TYPE OF WELL

OIL WELL ☐

GAS WELL ☒

OTHER

SINGLE ZONE ☐

MULTIPLE ZONE ☐

2. NAME OF OPERATOR

Coastal Oil & Gas Corporation

3. ADDRESS AND TELEPHONE NO.

P.O. Box 749, Denver, CO 80201-0749

(303) 573-4455

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)  
At surface

374' FNL 1611' FWL

At proposed prod. zone

Same as above

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE\*

See Topo Map "A"

15. DISTANCE FROM PROPOSED\*  
LOCATION TO NEAREST  
PROPERTY OR LEASE LINE, FT.  
(Also to nearest drlg. unit line, if any)

374'

16. NO. OF ACRES IN LEASE

206.97

17. NO. OF ACRES ASSIGNED  
TO THIS WELL

N/A

18. DISTANCE FROM PROPOSED LOCATION\*  
TO NEAREST WELL, DRILLING, COMPLETED,  
OR APPLIED FOR, ON THIS LEASE, FT.

See Topo Map C

19. PROPOSED DEPTH

7800'

20. ROTARY OR CABLE TOOLS

Rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.)

4890' Ungraded GL

22. APPROX. DATE WORK WILL START\*

Upon Approval

23.

PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	GRADE SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
See Attached				
Drilling Program				

Coastal Oil & Gas Corporation proposes to drill a well to the proposed TD as stated above. If productive, casing will be run and the well completed. If dry, the well will be plugged and abandoned as per BLM and State of Utah requirements.

See the attached Drilling Program and Multi-point Surface Use & Operations Plan.

Coastal Oil & Gas Corporation is considered to be the operator of the subject well. It agrees to be responsible under the terms and conditions of the lease for the operations conducted upon the leased lands. Bond coverage pursuant to 43 CFR 3104 for lease activities is being provided by: BLM Nationwide Bond #U605382-9.

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen, give data on present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

24.

SIGNED

Sheila Bremer

TITLE Environmental & Safety Analyst

DATE 10/16/98

(This space for Federal or State office use)

NOTICE OF APPROVAL

CONDITIONS OF APPROVAL ATTACHED

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.  
CONDITIONS OF APPROVAL, IF ANY:

APPROVED BY

TITLE

Acting Assistant Field Manager  
Mineral Resources

DATE

APR 7 1999

\*See Instructions On Reverse Side

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.



CONDITIONS OF APPROVAL  
APPLICATION FOR PERMIT TO DRILL

Company/Operator: Coastal Oil & Gas Corporation

Well Name & Number: NBU 354

API Number: 43-047-33231

Lease Number: U-464

Location: NENW Sec. 31 T. 09S R. 22E

## CONDITIONS OF APPROVAL FOR NOTICE TO DRILL

Approval of this application does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

**NOTE:** The target formation for this well is the Mesaverde Formation, therefore, the BOPE and related equipment must meet the requirements of a **3M** system as identified in the approved Natural Buttes Unit's Standard Operating Plan.

Be aware fire restrictions may be in effect when location is being constructed and/or when well is being drilled. Contact the appropriate Surface Management Agency for information.

### A. DRILLING PROGRAM

#### 1. Casing Program and Auxiliary Equipment

As a minimum, the usable water resources shall be isolated and/or protected by having a cement top for the production casing at least 200 ft. above the base of the usable water zone, identified at  $\pm 2,505$  ft.

**SURFACE USE PROGRAM  
Conditions of Approval (COAs)**

-The reserve pit topsoil will be piled separately as shown on the cut sheet.

-The location topsoil pile will be seeded immediately after the soil is piled by broadcasting the seed, then walking the topsoil pile with the dozer to plant the seed. The seed mix provided in the APD will be used.

All poundages are in Pure Live Seed.

-The subsoil which is piled on the location is for the construction of tank dikes.  
**Topsoil will not be used for the construction of tank dikes.**

-Once the reserve pit is dry, it shall be filled, recontoured, topsoil spread, and seeded in the same manner discussed above.

-Because of the abundance of well-preserved mammal fossil bone in the badlands area of the proposed access road and well location, **all construction will be monitored by a certified paleontologist.**

-If the well becomes a producing well, **the surface pipeline shall follow the access road back to the NBU 50N2 or NBU 155 wells rather than crossing the 100 year flood plain of Sand Wash as is indicated in the APD.**

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

FORM APPROVED  
OMB NO. 1004-0135  
Expires: November 30, 2000

**SUNDRY NOTICES AND REPORTS ON WELLS**

*Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.*

**SUBMIT IN TRIPLICATE - Other instructions on reverse side**

1. Type of Well

☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator

Coastal Oil & Gas Corporation

3a. Address

P.O. Box 1148, Vernal UT 84078

3b. Phone No. (include area code)

(435)-781-7023

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

NEWN Sec.31,T9S,R22E 374'FNL & 1611'FWL

5. Lease Serial No.

U-464

6. If Indian, Allottee or Tribe Name

N/A

7. If Unit or CA/Agreement, Name and/or No.

Natural Buttes Unit

8. Well Name and No.

NBU #354

9. API Well No.

43-047-33231

10. Field and Pool, or Exploratory Area

Natural Buttes Field

11. County or Parish, State

Uintah, County Utah

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION

☒ Notice of Intent

☐ Subsequent Report

☐ Final Abandonment Notice

TYPE OF ACTION

☐ Acidize

☐ Alter Casing

☐ Casing Repair

☐ Change Plans

☐ Convert to Injection

☐ Deepen

☐ Fracture Treat

☐ New Construction

☐ Plug and Abandon

☐ Plug Back

☐ Production (Start/Resume)

☐ Reclamation

☐ Recomplete

☐ Temporarily Abandon

☐ Water Disposal

☐ Water Shut-Off

☐ Well Integrity

☒ Other 1 Year

Extension

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomple horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recomple in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the final site is ready for final inspection.)

Coastal Oil & Gas Corporation requests authorization for an one year extension on the above referenced well.

Approved by the  
Utah Division of  
Oil, Gas and Mining

Date: 2/2/00

By: 

RECEIVED

JAN 31 2000

DIVISION OF  
OIL, GAS AND MINING

COPY SENT TO OPERATOR

Date: 2/3/00  
Initials: CKB

14. I hereby certify that the foregoing is true and correct

Name (Printed/Typed)

Sheila Upchogo

Title

Environmental Jr. Analyst

Date

1/27/00

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Title

Date

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Office

Title 18 U.S.C. Section 1001, and Title 43 U.S.C. Section 1212, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

Form 3160-5  
(August 1999)UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENTFORM APPROVED  
OMB NO. 1004-0135  
Expires: November 30, 2000

## SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to re-enter an  
abandoned well. Use Form 3160-3 (APD) for such proposals.

SUBMIT IN TRIPLICATE - Other instructions on reverse side

Type of Well

☐ Oil Well ☒ Gas Well ☐ Other

Name of Operator

Coastal Oil &amp; Gas Corporation

Address

P.O. Box 1148, Vernal UT 84078

3b. Phone No. (Include area code)

(435)-781-7023

Location of Well (Footage, Sec., T., R., M., or Survey Description)

NE NW Sec.31-T9S-R22E 374'FWL &amp; 1611'FWL

5. Lease Serial No.

U-464

6. If Indian, Allottee or Tribe Name

N/A

7. If Unit or CA/Agreement, Name and/or No.  
Natural Buttes Unit

8. Well Name and No.

NBU #354

9. API Well No.

43-047-33231

10. Field and Pool, or Exploratory Area  
Natural Buttes Field

11. County or Parish, State

Uintah County Utah

## 12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

## TYPE OF SUBMISSION

- ☒
- Notice of Intent
- 
- ☐
- Subsequent Report
- 
- ☐
- Final Abandonment Notice

## TYPE OF ACTION

- ☐
- Acidize
- ☐
- Deepen
- ☐
- Production (Start/Resume)
- ☐
- Water Shut-Off
- 
- ☐
- Alter Casing
- ☐
- Fracture Treat
- ☐
- Reclamation
- ☐
- Well Integrity
- 
- ☐
- Casing Repair
- ☐
- New Construction
- ☐
- Recomplete
- ☒
- Other 1 Year
- 
- ☐
- Change Plans
- ☐
- Plug and Abandon
- ☐
- Temporarily Abandon Extension
- 
- ☐
- Convert to Injection
- ☐
- Plug Back
- ☐
- Water Disposal

Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the final site is ready for final inspection.)

Coastal Oil &amp; Gas Corporation requests authorization for a one year extension on the above referenced well.

COPY SENT TO OPERATOR  
Date: 2-13-01  
Initials: CHSApproved by the  
Utah Division of  
Oil, Gas and MiningDate: 02-12-01  
By: [Signature]I hereby certify that the foregoing is true and correct  
Name (Printed/Typed)

Cheryl Cameron

Title

Sr. Regulatory Analyst

Date 1/30/01

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

proved by

Title

Date

ditions of approval, if any, are attached. Approval of this notice does not warrant or  
fy that the applicant holds legal or equitable title to those rights in the subject lease  
ph would entitle the applicant to conduct operations thereon.

Office

18 U.S.C. Section 1001, and Title 43 U.S.C. Section 1212, makes it a crime for any person knowingly and willfully to make to any department or agency of the United  
as any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.



February 7, 2001

State of Utah  
Division of Oil, Gas & Mining  
1594 West North Temple, Suite 1210  
P.O. Box 145801  
Salt Lake City, Utah 84114


**ATTENTION: Lisha Cordova**

Dear Lisha,

The location for the NBU #354 proposed well to be drilled in the NE/NW Sec. 31, T9S-R22E, Uintah County, is 374'FNL & 1611'FWL of said Sec. 31. This location is not within 460 feet from the boundary of the Natural Buttes Unit, nor is it within 460 feet if any non-committed tract lying within the boundaries of the Unit.

If you have any questions or need additional information, please do not hesitate to call me, (435) 781-7023.

Sincerely,

  
Cheryl Cameron  
Sr. Regulatory Analyst

DA/WF

**RECEIVED**

**FEB 09 2001**

**DIVISION OF  
OIL, GAS AND MINING**

**Coastal Oil & Gas Corporation**

A SUBSIDIARY OF THE COASTAL CORPORATION  
1368 S 1200 E • P.O. BOX 1148 • VERNAL UT 84078 • 435/789-4433 • FAX 435/789-4436

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

FORM APPROVED  
OMB NO. 1004-0135  
Expires: November 30, 2000

**SUNDRY NOTICES AND REPORTS ON WELLS**

*Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.*

5. Lease Serial No.

**U-464**

6. If Indian, Allottee or Tribe Name

**N/A**

7. If Unit or CA/Agreement, Name and/or No.  
**Natural Buttes Unit**

8. Well Name and No.

**NBU #354**

9. API Well No.

**43-047-33231**

10. Field and Pool, or Exploratory Area  
**Natural Buttes**

11. County or Parish, State

**Uintah UT**

**SUBMIT IN TRIPLICATE - Other instructions on reverse side**

1. Type of Well

☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator

**Coastal Oil & Gas Corporation**

3a. Address

**P.O. Box 1148, Vernal UT 84078**

3b. Phone No. (include area code)

**(435) 781-7023**

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

**NW/NW 374' FNL & 1611' FWL**

**Sec. 31, T9S, R22E**

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION

☒ Notice of Intent

☐ Subsequent Report

☐ Final Abandonment Notice

TYPE OF ACTION

☐ Acidize

☐ Alter Casing

☐ Casing Repair

☐ Change Plans

☐ Convert to Injection

☐ Deepen

☐ Fracture Treat

☐ New Construction

☐ Plug and Abandon

☐ Plug Back

☐ Production (Start/Resume)

☐ Reclamation

☐ Recomplete

☐ Temporarily Abandon

☐ Water Disposal

☐ Water Shut-Off

☐ Well Integrity

☒ Other Pipeline/Access

Road Amendment

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleate horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleation in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the final site is ready for final inspection.)

If the subject well becomes a producing well the surface pipeline shall follow the access road back to the NBU #155 rather than crossing the 100 year flood plain of Sand Wash, as stated in the Conditions of Approval in the Approved APD.

This change will also effect the access road. Please refer to Topo's B & D.

Accepted by the  
Utah Division of  
Oil, Gas and Mining

Date: 3-12-01

By: R. All M. K.

Federal Approval Of This  
Action Is Necessary

APPROVED BY  
3-12-01  
CHD

**RECEIVED**

**MAR 12 2001**

**DIVISION OF  
OIL, GAS AND MINING**

14. I hereby certify that the foregoing is true and correct  
Name (Printed/Typed)

**Cheryl Cameron**

Title

**Senior Regulatory Analyst**

Date **3/8/01**

**THIS SPACE FOR FEDERAL OR STATE OFFICE USE**

Approved by

Title

Date

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Office

Title 18 U.S.C. Section 1001, and Title 43 U.S.C. Section 1212, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

**SURFACE USE PROGRAM  
Conditions of Approval (COAs)**

- The reserve pit topsoil will be piled separately as shown on the cut sheet.
- The location topsoil pile will be seeded immediately after the soil is piled by broadcasting the seed, then walking the topsoil pile with the dozer to plant the seed. The seed mix provided in the APD will be used.

All poundages are in Pure Live Seed.

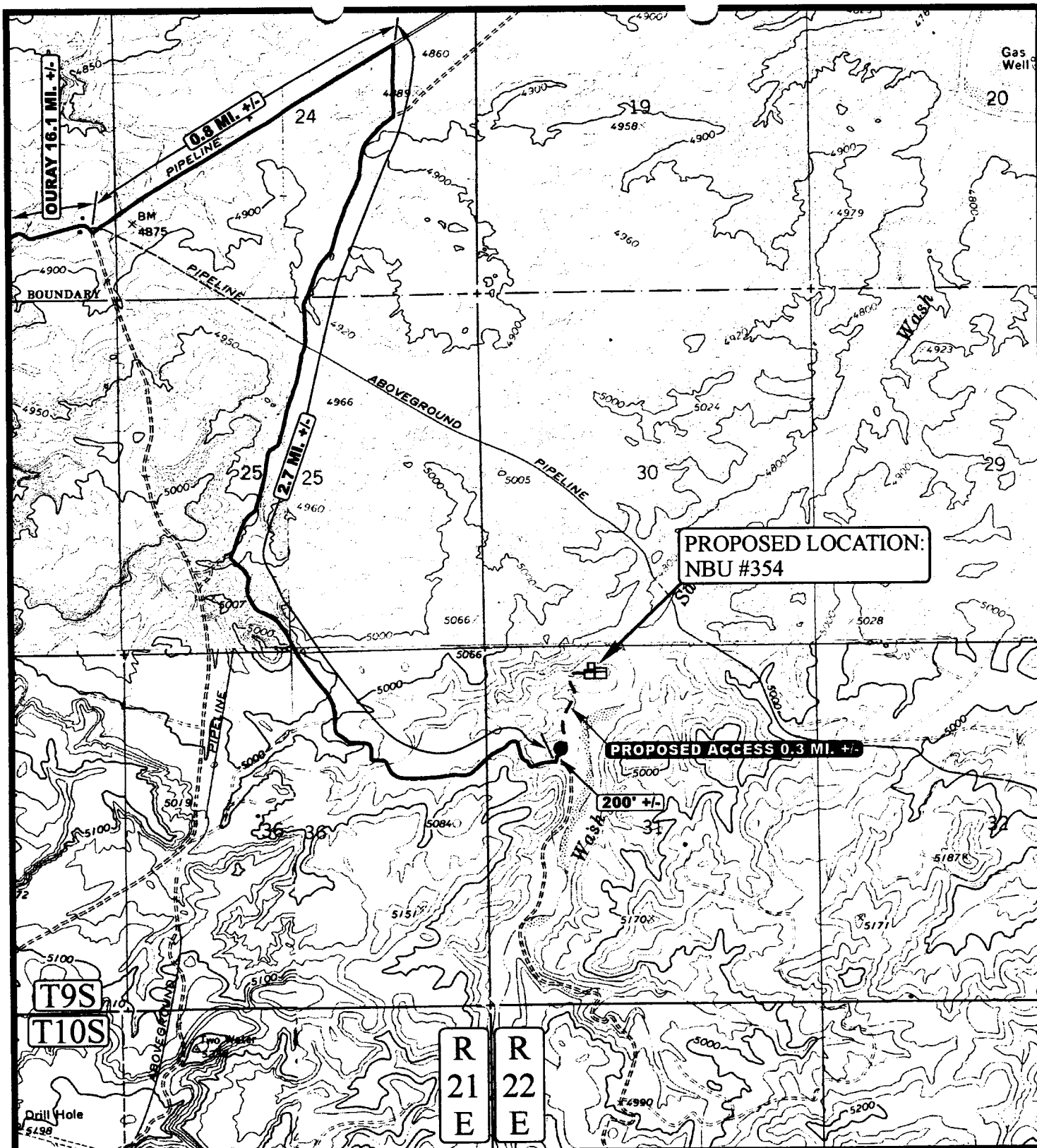
- The subsoil which is piled on the location is for the construction of tank dikes.  
**Topsoil will not be used for the construction of tank dikes.**

-Once the reserve pit is dry, it shall be filled, recontoured, topsoil spread, and seeded in the same manner discussed above.

-Because of the abundance of well-preserved mammal fossil bone in the badlands area of the proposed access road and well location, **all construction will be monitored by a certified paleontologist.**

-If the well becomes a producing well, **the surface pipeline shall follow the access road back to the NBU 50N2 or NBU 155 wells rather than crossing the 100 year flood plain of Sand Wash as is indicated in the APD.**





# LEGEND:

- - - - - PROPOSED ACCESS ROAD  
 ————— EXISTING ROAD

COASTAL OIL & GAS CORP.

NBU #354

SECTION 31, T9S, R22E, S.L.B.&M.  
374' FNL 1161' FWL



**U**  
**E**  
**S**

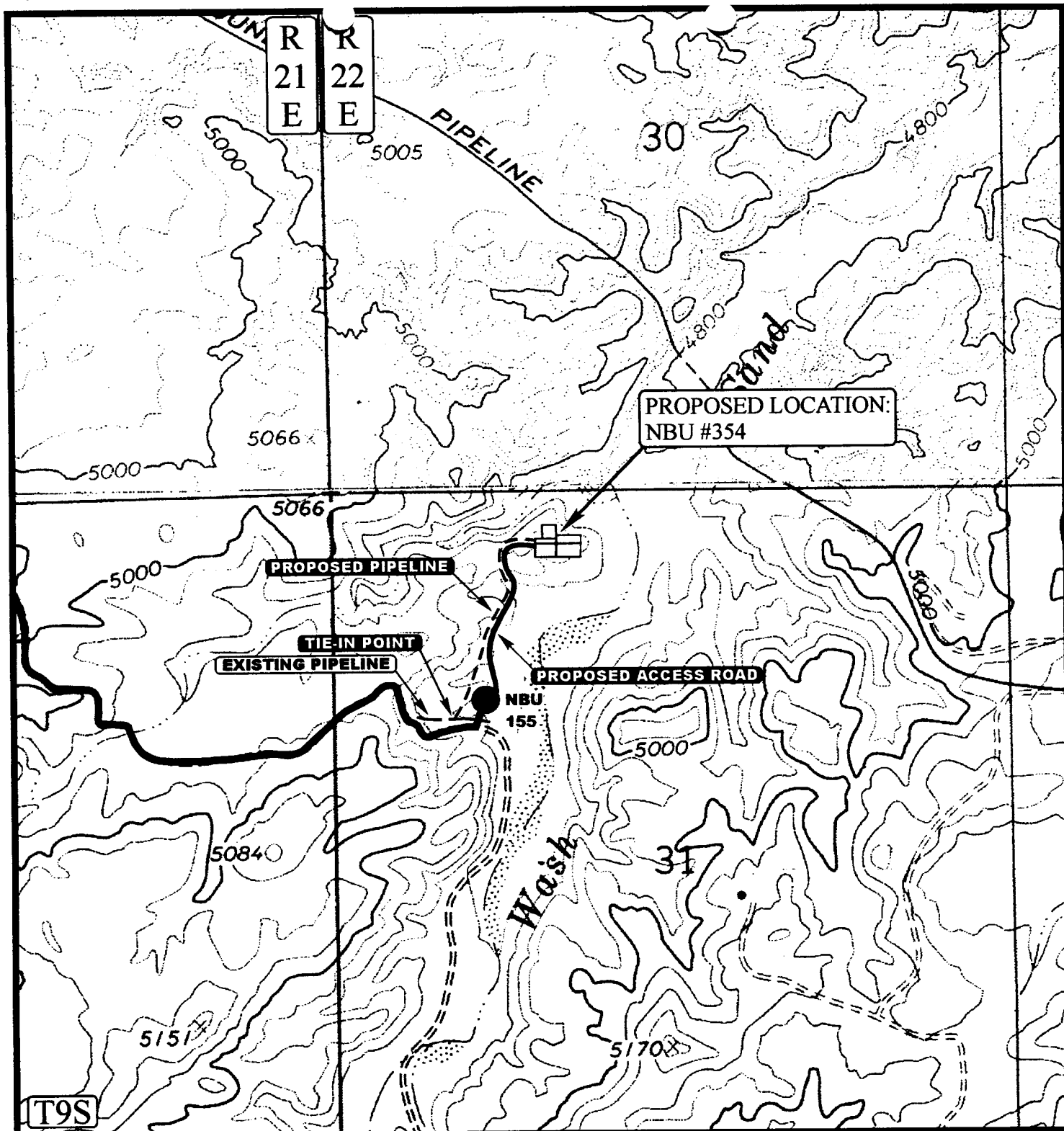
Uintah Engineering & Land Surveying  
 85 South 200 East Vernal, Utah 84078  
 (435) 789-1017 \* FAX (435) 789-1813

T O P O G R A P H I C  
 M A P

9 1 98  
 MONTH DAY YEAR

SCALE: 1" = 2000' DRAWN BY: J.L.G. REVISED: 3-2-01

**B**  
 TOPO



APPROXIMATE TOTAL PIPELINE DISTANCE = 1550' +/-

**LEGEND:**

- EXISTING PIPELINE
- - - PROPOSED PIPELINE
- ... PROPOSED ACCESS

COASTAL OIL & GAS CORP.

NBU #354

SECTION 31, T9S, R22E, S.L.B.&M.

374' FNL 1161' FWL



Uintah Engineering & Land Surveying  
85 South 200 East Vernal, Utah 84078  
(435) 789-1017 \* FAX (435) 789-1813



TOPOGRAPHIC  
MAP

9 1 98  
MONTH DAY YEAR

SCALE: 1" = 1000' DRAWN BY: J.L.G. REVISED: 3-2-01

D  
TOPO

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

FORM APPROVED  
OMB No. 1004-0135  
Expires November 30, 2000

**SUNDRY NOTICES AND REPORTS ON WELLS**  
**Do not use this form for proposals to drill or reenter an  
abandoned well. Use Form 3160-3 (APD) for such proposals.**

**SUBMIT IN TRIPLICATE – Other instructions on reverse side**

1. Type of Well  
☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator

**Coastal Oil & Gas Corporation**

3a. Address

**P.O. Box 1148 Vernal, UT 84078**

3b. Phone No. (include area code)

**(435) 781-7023**

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

**NE/NW Section 31 - T9S - R22E  
374' FNL & 1611' FWL**

5. Lease Serial No.

**U-464**

6. If Indian, Allottee or Tribe Name

**N/A**

7. If Unit or CA/Agreement, Name and/or No.

**Natural Buttes Unit**

8. Well Name and No.

**NBU 354**

9. API Well No.

**43-047-33231**

10. Field and Pool, or Exploratory Area

**Natural Buttes**

11. County or Parish, State

**Uintah, UT**

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other <b>SPUD</b>
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operations (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.

**Spud well 03/12/01 at 12:30 pm with Bill Martin Jr. Rathole Rig  
Drill 285' of 12 1/4" hole. RIH w/283' of 8 5/8" 24# K-55 csg.  
Cement w/150 sx Prem 300 mix @ 15.8ppg, yield 1.15 w/2% CaCl2 & 1/8 #/sk Polyflake.  
Displace w/15.5 BBLS H2O, 3 BBLS cmt to pit.**

**RECEIVED**

**MAR 19 2001**

**DIVISION OF  
OIL, GAS AND MINING**

14. I hereby certify that the foregoing is true and correct  
Name (Printed/Typed)

**Cheryl Cameron**

Title

**Senior Regulatory Analyst**

Signature

Date

**March 14, 2001**

**THIS SPACE FOR FEDERAL OR STATE USE**

Approved by

Title

Date

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Office

Title 18 U.S.C. Section 1001, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on reverse)

STATE OF UTAH  
DIVISION OF OIL, GAS AND MINING  
ENTITY ACTION FORM - FORM 6

OPERATOR Coastal Oil & Gas Corp.  
ADDRESS P.O. Box 1148  
Vernal, UT 84078  
(435) 781-7023

OPERATOR ACCT. NO. N 0230

ACTION CODE	CURRENT ENTITY NO.	NEW ENTITY NO.	API NUMBER	WELL NAME	WELL LOCATION					SPUD DATE	EFFECTIVE DATE
					QQ	SC	TP	RG	COUNTY		
B	99999	2900	43-047-33231	NBU 354	NE/NW	31	9S	22E	Uintah	3/12/01	3/12/01
WELL 1 COMMENTS: Spud at 12:30pm with Bill Martin Jr. Rathole Rig <i>3-27-01</i>											
ACTION CODE	CURRENT ENTITY NO.	NEW ENTITY NO.	API NUMBER	WELL NAME	WELL LOCATION					SPUD DATE	EFFECTIVE DATE
					QQ	SC	TP	RG	COUNTY		
WELL 2 COMMENTS:											
ACTION CODE	CURRENT ENTITY NO.	NEW ENTITY NO.	API NUMBER	WELL NAME	WELL LOCATION					SPUD DATE	EFFECTIVE DATE
					QQ	SC	TP	RG	COUNTY		
WELL 3 COMMENTS:											
ACTION CODE	CURRENT ENTITY NO.	NEW ENTITY NO.	API NUMBER	WELL NAME	WELL LOCATION					SPUD DATE	EFFECTIVE DATE
					QQ	SC	TP	RG	COUNTY		
WELL 4 COMMENTS:											
ACTION CODE	CURRENT ENTITY NO.	NEW ENTITY NO.	API NUMBER	WELL NAME	WELL LOCATION					SPUD DATE	EFFECTIVE DATE
					QQ	SC	TP	RG	COUNTY		
WELL 5 COMMENTS:											

ACTION CODES (See instructions on back of form)

- A - Establish new entity for new well (single well only)
- B - Add new well to existing entity (group or unit well)
- C - Re-assign well from one existing entity to another existing entity
- D - Re-assign well from one existing entity to a new entity
- E - Other (explain in comments section)

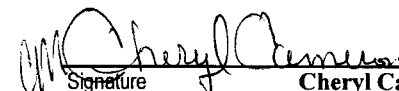
NOTE: Use COMMENT section to explain why each Action Code was selected.

(3/89)

RECEIVED

MAR 19 2001

DIVISION OF  
OIL, GAS AND MINING

  
Signature Cheryl Cameron

Senior Regulatory Analyst 03/14/01  
Title Date

Phone No. (435) 781-7023

Form 3160-5  
(August 1999)

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT  
**SUNDRY NOTICES AND REPORTS ON WELLS**  
Do not use this form for proposals to drill or to re-enter an  
abandoned well. Use Form 3160-3 (APD) for such proposals

FORM APPROVED  
OMB No. 1004-0135  
Expires November 30, 2000

<b>SUBMIT IN TRIPLICATE- Other instructions on reverse side</b>		5. Lease Serial No. <b>U-464</b>
1. Type of Well: <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other		6. If Indian, Allottee or Tribe Name <b>N/A</b>
2. Name of Operator <b>COASTAL OIL &amp; GAS CORPORATION</b> <b>CONTACT: CHERYL CAMERON OPERATIONS</b> <b>EMAIL: Cheryl.Cameron@CoastalCorp.com</b>		7. If Unit or CA Agreement, Name and No. <b>NATL BUTTES UNIT</b>
3a. Address <b>P.O. BOX 1148</b> <b>VERNAL, UT 84078</b>		8. Lease Name and Well No. <b>NBU #354</b>
3b. Phone No. (include area code) <b>TEL: 435.781.7023 EXT:</b> <b>FAX: 435.789.4436</b>		9. API Well No. <b>4304733231</b>
4. Location of Well (Footage, Sec., T., R., M., or Survey Description)  <b>Sec 31 T9S R22E NENW 374FNL 1611FWL</b>		10. Field and Pool, or Exploratory <b>NATURAL BUTTES</b>
		11. County or Parish, State <b>UINTAH, UT</b>

## 12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input checked="" type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-off
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input type="checkbox"/>
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give the subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with the BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of involved operations. If the operation results in multiple completion or recompleat in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

FINISHED DRILLING FROM 285' TO 7775'. RIH W/7763' 4.5" 11.6# K-55 CSG.

1ST STAGE: CMT W/440 SX HILIFT 11# W/12. D20, 3% D-79, .75% D-112, .2% D-46, .25% #/SK D-130 &amp; 1405 SX 50/50

POZ 14.3# W/2% D-20, 2% D-174, 1.3% D-167, 1.5 D-85 &amp; 1.2% D-46.

2ND STAGE: CMT W/480 SX CLASS G W/ 1/4# D-29/SK. 34 BBLS CMT RETURNS. BUMP PLUG, CLEAN MUD TANKS.

RELEASE RIG @ 12PM ON 04/04/01.

RECEIVED

APR 12 2001

DIVISION OF  
OIL, GAS AND MINING

Name (Printed/Typed)	Title
Signature <i>Cheryl Cameron</i>	Date <i>4/10/01</i>
THIS SPACE FOR FEDERAL OR STATE OFFICE USE	

Approved by	Title	Date
Conditions of approval; if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.	Office	

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction

ELECTRONIC SUBMISSION #3538 VERIFIED BY THE BLM WELL INFORMATION SYSTEM FOR COASTAL OIL &amp; GAS CORPORATION SENT TO THE VERNAL FIELD OFFICE

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

FORM APPROVED  
OMB NO. 1004-0135  
Expires: November 30, 2000

**SUNDRY NOTICES AND REPORTS ON WELLS**

*Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.*

5. Lease Serial No.

**U-464**

6. If Indian, Allottee or Tribe Name

**N/A**

7. If Unit or CA/Agreement, Name and/or No.

**Natural Buttes Unit**

8. Well Name and No.

**NBU #354**

9. API Well No.

**43-047-33231**

10. Field and Pool, or Exploratory Area

**Natural Buttes Field**

11. County or Parish, State

**Uintah**

**Utah**

**SUBMIT IN TRIPLICATE - Other instructions on reverse side**

1. Type of Well

☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator

**Coastal Oil & Gas Corporation**

3a. Address

**P.O. Box 1148, Vernal UT 84078**

3b. Phone No. (include area code)

**(435)-781-7023**

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

**NENW Section 31-T9S-R22E 374'FNL & 1611'FWL**

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION

TYPE OF ACTION

☐ Notice of Intent

☒ Subsequent Report

☐ Final Abandonment Notice

☐ Acidize

☐ Alter Casing

☐ Casing Repair

☐ Change Plans

☐ Convert to Injection

☐ Deepen

☐ Fracture Treat

☐ New Construction

☐ Plug and Abandon

☐ Plug Back

☒ Production (Start/Resume)

☐ Reclamation

☐ Recomplete

☐ Temporarily Abandon

☐ Water Disposal

☐ Water Shut-Off

☐ Well Integrity

☐ Other \_\_\_\_\_

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the final site is ready for final inspection.)

**The subject well was placed on production on 5/6/01.**

**Please refer to the attached Chronological Well History.**

14. I hereby certify that the foregoing is true and correct  
Name (Printed/Typed)

**Cheryl Cameron**

Title

**Sr. Regulatory Analyst**

Date **5/9/01**

**THIS SPACE FOR FEDERAL OR STATE OFFICE USE**

Approved by

Title

Date

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Office

Title 18 U.S.C. Section 1001, and Title 43 U.S.C. Section 1212, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

**THE COASTAL CORPORATION  
PRODUCTION REPORT**

CHRONOLOGICAL HISTORY

Page 1

**NBU 354**

NENW SEC 31, T9S, R22E  
NATURAL BUTTES FIELD  
UINTAH COUNTY, UT

WI: 60%

PBTD: 7.709' PERFS:

CSG: 4 1/2", 11.6#, K-55 LT&C @ 7751', 8/8THS

SPUD DATE:

AFE DESCR. DRILL, COMPLETE, AND EQUIP AFE: 052278

FORMATION:

CWC(M\$):

- 4/12/01 PREP TO DO DV TOOL**  
PROG: MIRU. PU 3 7/8" BLADED MILL & SIH. TAG CMT @ 886'. DO CMT TO DV TOOL @ 953'.
- 4/16/01 LOG & PERF MESA VERDE**  
4/13/01 PROG: SICP: 0#. DRILLED OUT DV TOOL & CMT STRINGERS TO 974'. CONT RIH TO 7710' & CIRC BOTTOMS UP. PUH TO 7635'.
- 4/17/01 RIH W/MILL & BIT SCRAPER**  
PROG: 0# ON WELL. EOT @ 7635'. LD 18 JTS. POOH W/111 STDS 2 3/8" TBG. LD 3 7/8" MILL. MIRU CUTTERS. RUN CBL-GR-CCL FROM PBTD @ 7710' TO 4380' & 200' BELOW TOC @ 1260' TO SURF. PRESS TST 4 1/2" CSG & BOP TO 5000#. HELD GOOD. TESTED 8 5/8" CSG / 4 1/2" CSG TO 800#. HELD GOOD. RIH W/ WIRELINE. PERF THE MESA VERDE FROM 7506'-7516', 4 SPF (40 HOLES) W/ 3 3/8" EXPENDABLE GUN, USING 23 GRAM PROSPECTOR CHARGES (.43), 90 DEG PHASING. POOH TO +- 810', WIRELINE HUNG UP & PULLED OUT OF ROPE SOCKET. RD CUTTERS. WAIT ON FISHING TOOLS TO FISH 3 3/8" EXPENDABLE GUN. PU & RIH W/3 7/8" OD OS W/3 1/8" GRAPPLE, LBS, JARS, 27 JTS TBG. TAG TIGHT SPOT @ 909'. UNABLE TO WORK DN. POOH. LD OS. RIH W/ 3 3/4" OD OS W/1 7/16" GRAPPLE. TAG @ 921'. FELL THROUGH. TAG @ 939', WORK DN TO 940'. PULLED 25K OVER. POOH W/BHA. SWIFN.
- 4/18/01 SET RBP & TST CSG LEAK**  
PROG: SICP: 0#. PU 3 7/8" BIT & SCRAPER & RIH. TAGGED @ 912'. DRILLED & SCRAPER THOROUGHLY TO 1018'. CONT RIH TO 7594'. POOH. STAGE 1 FRAC WENT ACCORDING TO PROCEDURE UNTIL 15.7 BBLS INTO FLUSH WHEN THE ACID FOR THE 2<sup>ND</sup> FRAC REACHED THE DV TOOL AREA. AN IMMEDIATE LOSS IN PRESS OCCURRED. PRESS WENT FROM 2407# TO 1645# TO 447# W/THE RATE REMAINING CONSTANT @ 20.1 BPM. IT APPEARS THE DV TOOL FAILED. ISIP: 262#. EST 21,000 LBS OF 20/40 SD LEFT IN CSG W/22,500 LBS IN FORMATION. FLOWED WELL BACK OVERNIGHT. DID NOT RECOVER ANY ACID. THE WELL FLOWED ON 24/64" TO 64/64" CHK, CP: 100# TO 400#, REC 337 BBLS W/173 BLWTR. THERE WAS ONLY A SLIGHT TRACE OF SD & WAS CLEAN AFTER REC 45 BBLS OF FLU.
- 4/19/01 PUMPING CMT**  
PROG: FCP: 50#. PU 4 1/2 32A TENSION PK. RIH. SET PK @ 980', PUMPED 20 BW. DN CASING @ 350#, 4 BPM. PU HOLE. SET PK @ 916'. TESTED CSG TO 1000#. POOH. RU WIRELINE. RIH. TAG SD @ 7666'. POOH. PU 4 1/2" CBP. RIH. SET @ 7450'. POOH. PU 4 1/2 32A TENSION PK & RIH & SET IT @ 788'. PUMPED 12 BBL F WTR. EST INJ RT 4 BPM,

400#. PUMPED 75 SACKS RFC CMT, 1.61 YIELD, 14.6 PPG W/2% CAL & ¼# PER SACK CELEFLAKE. FLUSH W/3 BBL FRESH WTR SQZ, 3000#. SI FOR 30 MIN. RLS PRESS TO RLS PK TO REVERSE CIRC WELL FLOW BACK ALL CMT. POOH W/PK & TBG. FILL CSG W/15 BBL FRESH WTR. PRESS UP CSG TO 1000#. SWIFD.

4/20/01

**RIH W/PKR & FRAC STRING**

PROG: SICP: 250#. BLEW DN IN 2 MIN. RIH W/3 7/8" BIT & SCRAPER TO 1176'. CIRC CLEAN & POOH. PRESS TESTED SQZ ON DV TO 4500# SUCCESSFULLY FOR 15 MIN. RAN CBL-CCL-GR FROM 580' TO 1420'. BOND LOG LOOKED THE SAME OVER THE DV & ECP. RIH W/PERF GUN & TAGGED @ 1789'. POOH W/GUN. PICKED UP 3 7/8" BIT & SCRAPER & RIH TO 5890'. DO NOT FEEL ANYTHING @ 1789' WHEN GOING THROUGH W/BIT & SCRAPER. RIH W/3 3/8" PERF GUN & SHOT 7150'-7160' @ 4 SPF W/90 DEG PHASING. POOH.

4/23/01

**PREP TO FRAC**

4/21/01 PROG: PU 4 ½" PKR ON 2 3/8" TBG. RIH TO 7096'. SDFWE.

4/24/01

**PREP TO DO CBP**

PROG: BRK DN PERFS @ 4293# @ 3 BPM – ISIP: 1127#, FG: 0.59. F RAC'D W/36,000# 20/40 SD & 446 BBLs YF117ST LIQ GEL. ISIP: 2959#, NET PRESS INC: 1832#, FG: 0.85, MTP: 10,006#, ATP: 7655#, MTR: 15.7 BPM, ATR: 12.8 BPM. NOTE: PLANNED TO PUMP 65,000# SD. FRAC CUT SHORT DUE TO PRESS LIMITATION OF 2 3/8" TBG. FLOW BACK WELL 18 HRS ON 64/64" CHK, FTP: 50# TO 5#, 67 BWPH TO 5 BWPH, NO SD. TLTR: 446 BBLs, TLR: 224 BBLs, LLTR: 222 BBLs.

4/25/01

**PREP TO SWAB**

PROG: RLS PKR @ 7096'. PU & SET @ 2500'. PRESS TST DV TOOL TO 2000#. HELD. POOH. RIH W/3 7/8" BIT. TAG SD @ 7350'. CO SD TO CBP @ 7450'. DRILL OUT. RIH & TAG SD @ 7650'. CO TO TOP OF FISH @ 7695'. PU & LAND TBG @ 7442'. PUMP OFF BIT SUB. ATTEMPT TO FLOW BACK WELL WITH AIR FOAM UNIT. OPEN WELL TO FLOW BACK TANK. WELL DIED IN 2 HRS. CP: 850# TO 1150#, FTP: 250# TO 0, 9 BWPH TO 0. TLTR: 1076 BBLs, TLR: 588 BBLs, LLTR: 488 BBLs.

4/26/01

**SWABBING**

PROG: SITP: 1350#, SICP: 1850#. FLWD 4 HRS, REC 75 BBLs & DIED. MADE 6 SWAB TRIPS. IFL: 2300', RECOVER 20 BW. FLWD 1 HR. RECOVER 5 BW. MADE 3 SWAB TRIPS. RECOVER 10 BW. FFL: 3800'. FTP: 0, FCP: 900#. WELL DEAD. SDFN. LOAD RECOVERED LAST 24 HRS: 110 BBLs. TLTR: 1076 BBLs, TLR: 680 BBLs, LLTR: 396 BBLs.

4/27/01

**SWABBING**

PROG: SITP: 1600#, SICP: 1850#. BROACH TBG W/WIRELINE. IFL: 1000'. FLOW WELL 3 HRS THEN DIED. REC 15 BW. MADE 3 SWAB TRIPS. REC 15 BW. FLWD 1 HR, REC 10 BW. MADE 6 SWAB TRIPS. REC 10 BW, FFL: 3800', FINAL CP: 1000#. LLTR: 351 BBLs.

4/30/01

**SWABBING**

4/28/01 PROG: SITP: 1300#, SICP: 1650#. BLOW DN IN 20 MIN. 0 FLU. MADE 3 SWAB TRIPS. IFL: 3300'. REC 15 BW. FLWD 1 HR, REC 15 BW. MADE 3 SWAB TRIPS, REC: 10 BW. FLWD 1 HR, 0 WTR. MADE 6 SWAB TRIPS, REC 30 BW. FFL: 4600', FTP: 0#, FCP: 600#.

ACT: SDFWE

4/29/01 PROG: SITP: 1000#, SICP: 1450#. BLOW DN. MADE 7 SWAB TRIPS. IFL: 1800', REC 80 BW. WELL FLWD 4 HRS THEN DIED. FFL: 5000', FTP: 0, FCP: 400#, LLTR: 201 BBLs. SIFWE.



**5/01/01 SWABBING**  
PROG: SITP: 1300#, SICP: 1750#. BLOW DN 1 HR. MADE 10 SWAB TRIPS, REC 95 BW,  
BLOW 30 MIN AFTER EACH SWAB TRIP. IFL: 3300', FFL: 5000', FINAL CP: 400#, LLTR:  
106 BBLS.

**5/02/01 PREP TO INSTALL PLUNGER LIFT**  
PROG: SITP: 1050#, SICP: 1300#. BLOW DN IN 20 MIN. MADE 12 SWAB TRIPS. IFL:  
3000'. WELL FLWD 20 TO 30 MIN AFTER EACH SWAB TRIP. REC 75 BLW. FFL: 5600',  
FINAL CP: 450#.

**5/03/01 SWABBING**  
PROG: SITP: 1050#, SICP: 1250#. INSTALL PLUNGER LIFT EQUIP. MADE 2 SWAB TRIPS.  
IFL: 2500'. REC 15 BW. CYCLE PLUNGER 2 TIMES. WELL DIED. MADE 3 SWAB TRIPS.  
REC 15 BW. PUT PLUNGER ON CYCLE. LLTR: 171 BBLS.

**5/04/01 PRODUCING TO SALES**  
PROG: SITP: 1100#, SICP: 1300#. BLEW WELL DN IN 15 MIN. MADE 2 SWAB TRIPS. IFL:  
2500'. REC 15 BW. DROPPED PLUNGER & PUT WELL ON PROD. LLTR: 156 BBLS.

**5/07/01 PRODUCING TO SALES**  
5/5/01 PROG: SITP: 0#, SICP: 950#. WELL LOGGED OFF OVERNIGHT. MADE 3 SWAB  
TRIPS & WELL STARTED TO FLOW. REC 15 BLW, IFL: 1800'.  
5/6/01 PROG: PLACED ON SALES NO SPOT DATA AVAILABLE.  
5/7/01 PROG: FLWD 35 MCF, 7 BW, FTP: 210#, CP: 1280#, 64/64" CHK, 24 HRS, LP: 68#,  
LLTR: 134 BBLS.

**5/08/01 PRODUCING TO SALES**  
PROG: FLWD 13 MCF, FTP: 20#, CP: 1075#, 40 BW, LP: 65#, LLTR: 94 BBLS.

# OURAY DRILLING PROGRAM

Well Name	Well Number		Green River Formation		Fluid Content	Wasatch Formation		Fluid Content	Mesaverde Formation	
			top	base		top	base		top	base
NBU	#354		1,223	4,510		4,510	7,144		7,144	
NBU	#351		973	4,076		4,076	6,570		6,570	
WONSITS	#3-32		3,453	6,568		6,568				
NBU SWD	#2-16		1,221							
KWFU	#14-1		2,393	5,507		5,507	7,740		7,740	
KWFU	#3-1		2,870	6,320		6,320	8,395		8,395	
FEDERAL	#33-92		2,200	5,576		5,576	8,819		8,819	



UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

FORM APPROVED  
OMB NO. 1004-0137  
Expires: November 30, 2000

5. Lease Serial No.

U-464

1a. Type of Well ☐ Oil Well ☒ Gas ☐ Dry ☐ Other  
b. Type of Completion: ☒ New ☐ Work Over ☐ Deepen ☐ Plug Back ☐ Diff. Resvr.  
Other \_\_\_\_\_

6. If Indian, Allottee or Tribe Name

7. Unit or CA Agreement Name and No.

Natural Buttes

8. Lease Name and Well No.

NBU#354

9. API Well No.

43-047-33231

10. Field and Pool, or Exploratory

Natural Buttes

11. Sec., T., R., M., or Block and  
Survey or Area Sec. 31, T9S R22E

12. County or Parish

Uintah

13. State

UT

2. Name of Operator

Coastal Oil & Gas Corporation

3. Address

P.O. Box 1148 Vernal, UT 84078

3a. Phone No. (include area code)

(435) 781-7023

4. Location of Well (Report locations clearly and in accordance with Federal requirements)\*

At surface

At top prod. interval reported below NE/NW 374' FNL & 1611' FWL

At total depth

14. Date Spudded

03/12/01

15. Date T.D. Reached

04/03/01

16. Date Completed

☐ D & A ☒ Ready to Prod.

05/06/01

17. Elevations (DF, RKB, RT, GL)\*

4890' Ungraded GL

18. Total Depth: MD

TVD

7775'

19. Plug Back T.D.: MD

TVD

7709'

20. Depth Bridge Plug Set: MD

TVD

7100'

21. Type Electric & Other Mechanical Logs Run (Submit copy of each)

CA/LO/ANAL/GR-4-5-01, CA/LO/ANAL/GR 1"2"5"-6/8"  
CBL-GR-CCL-4-19-01 + 4-23-01 + 6-25-01

22. Was well cored? ☒ No ☐ Yes (Submit copy)

Was DST run? ☒ No ☐ Yes (Submit copy)

Directional Survey? ☒ No ☐ Yes (Submit copy)

23. Casing and Liner Record (Report all strings set in well)

Hole Size	Size/Grade	Wt. (#/ft.)	Top (MD)	Bottom (MD)	Stage Cement Depth	No. of Sk. & Type of Cement	Slurry Vol. (BBL)	Cement Top*	Amount Pulled
12 1/4"	8 5/8"	24#	0	285'		150		Surface	
7"	4 1/2"	11.6#	0	7763'		2325		Surface	

24. Tubing Record

Size	Depth Set (MD)	Packer Depth (MD)	Size	Depth Set (MD)	Packer Depth (MD)	Size	Depth Set (MD)	Packer Set (MD)
2.375	6371'							

25. Producing Intervals

Formation	Top	Bottom	Perforated Interval	Size	No. Holes	Perf. Status
A) Wasatch	5362'	6412'	5362'-6412	3 3/8"	40	
B) Mesaverde	7506'	7516'	7506'-7516'	3 3/8"	128	
C)						
D)						

27. Acid, Fracture, Treatment, Cement Squeeze, Etc.

Depth Interval	Amount and type of Material
5362'-6201'	150,745# 20/40 sd w/ prop
6039'-6201'	9,500# SOOH w/ CTU
7506'-7516'	36,000# 20/40 SD & 446 Bbls YF117ST Gel

28. Production - Interval A

Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
05/06/01	05/25/01	24	→		397	48			Flowing
Choke Size	Tbg. Press. Flwg. SI	Csg. Press. SI	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Well Status	
64/64	140	420	→		397	48			Producing

28a. Production - Interval B

Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
			→						
Choke Size	Tbg. Press. Flwg. SI	Csg. Press. SI	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Well Status	
			→						

(See instructions and spaces for additional data on reverse side)

RECEIVED

JUN 10 2001

DIVISION OF  
OIL, GAS AND MINING

## 28b. Production - Interval C

Date First Produced	Test Date	Hours Tested	Test Production →	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. Rate →	Oil BBL	Gas MCF	Water BBL	Gas : Oil Ratio	Well Status	

## 28c. Production - Interval D

Date First Produced	Test Date	Hours Tested	Test Production →	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. Rate →	Oil BBL	Gas MCF	Water BBL	Gas : Oil Ratio	Well Status	

## 29. Disposition of Gas (Sold, used for fuel, vented, etc.)

## 30. Summary of Porous Zones (Include Aquifers):

Show all important zones of porosity and contents thereof: Cored intervals and all drill-stem tests, including depth interval tested, cushion used, time tool open, flowing and shut-in pressures and recoveries.

## 31. Formation (Log) Markers

Formation	Top	Bottom	Descriptions, Contents, etc.	Name	Top
					Meas. Depth
Green River Wasatch	1223' 4510'	4510' 7144'			

**RECEIVED**

## 32. Additional remarks (include plugging procedure):

JUN 18 2001

Refer to the attached Chronological History on 5/10/01 for the Wasatch Interval Details

**DIVISION OF  
OIL, GAS AND MINING**

## 33. Circle enclosed attachments:

- |   |                    |               |                       |
|---|--------------------|---------------|-----------------------|
| 1. Electrical/Mechanical Logs (1 full set req'd.)     | 2. Geologic Report | 3. DST Report | 4. Directional Survey |
| 5. Sundry Notice for plugging and cement verification | 5. Core Analysis   | 7. Other:     |                       |

## 36. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records (see attached instructions)\*

Name (please print) Cheryl Cameron

Title Senior Regulatory Analyst

Signature

*Cheryl Cameron*

Date

6/12/01

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

**THE COASTAL CORPORATION  
PRODUCTION REPORT**

CHRONOLOGICAL HISTORY

Page 1

**NBU 354**

NENW SEC 31, T9S, R22E  
NATURAL BUTTES FIELD  
UINTAH COUNTY, UT

WI: 60%

PBTD: 7.709' PERFS:

CSG: 4 1/2", 11.6#, K-55 LT&C @ 7751', 8/8THS

SPUD DATE:

**AFE DESCR. DRILL, COMPLETE, AND EQUIP AFE: 052278**

**FORMATION:**

**CWC(M\$):**

- 4/12/01            PREP TO DO DV TOOL**  
PROG: MIRU. PU 3 7/8" BLADED MILL & SIH. TAG CMT @ 886'. DO CMT TO DV TOOL @ 953'.
- 4/16/01            LOG & PERF MESA VERDE**  
4/13/01 PROG: SICP: 0#. DRILLED OUT DV TOOL & CMT STRINGERS TO 974'. CONT RIH TO 7710' & CIRC BOTTOMS UP. PUH TO 7635'.
- 4/17/01            RIH W/MILL & BIT SCRAPER**  
PROG: 0# ON WELL. EOT @ 7635'. LD 18 JTS. POOH W/111 STDS 2 3/8" TBG. LD 3 7/8" MILL. MIRU CUTTERS. . RUN CBL-GR-CCL FROM PBTD @ 7710' TO 4380' & 200' BELOW TOC @ 1260' TO SURF. PRESS TST 4 1/2" CSG & BOP TO 5000#. HELD GOOD. TESTED 8 5/8" CSG / 4 1/2" CSG TO 800#. HELD GOOD. RIH W/ WIRELINE. PERF THE MESA VERDE FROM 7506'-7516', 4 SPF (40 HOLES) W/ 3 3/8" EXPENDABLE GUN, USING 23 GRAM PROSPECTOR CHARGES (.43), 90 DEG PHASING. POOH TO +- 810', WIRELINE HUNG UP & PULLED OUT OF ROPE SOCKET. RD CUTTERS. WAIT ON FISHING TOOLS TO FISH 3 3/8" EXPENDABLE GUN. PU & RIH W/3 7/8" OD OS W/3 1/8" GRAPPLE, LBS, JARS, 27 JTS TBG. TAG TIGHT SPOT @ 909'. UNABLE TO WORK DN. POOH. LD OS. RIH W/ 3 1/4" OD OS W/1 7/16' GRAPPLE. TAG @ 921'. FELL THROUGH. TAG @ 939', WORK DN TO 940'. PULLED 25K OVER. POOH W/BHA. SWIFN.
- 4/18/01            SET RBP & TST CSG LEAK**  
PROG: SICP: 0#. PU 3 7/8" BIT & SCRAPER & RIH. TAGGED @ 912'. DRILLED & SCRAPER THOROUGHLY TO 1018'. CONT RIH TO 7594'. POOH. STAGE 1 FRAC WENT ACCORDING TO PROCEDURE UNTIL 15.7 BBLS INTO FLUSH WHEN THE ACID FOR THE 2<sup>ND</sup> FRAC REACHED THE DV TOOL AREA. AN IMMEDIATE LOSS IN PRESS OCCURRED. PRESS WENT FROM 2407# TO 1645# TO 447# W/THE RATE REMAINING CONSTANT @ 20.1 BPM. IT APPEARS THE DV TOOL FAILED. ISIP: 262#. EST 21,000 LBS OF 20/40 SD LEFT IN CSG W/22,500 LBS IN FORMATION. FLOWED WELL BACK OVERNIGHT. DID NOT RECOVER ANY ACID. THE WELL FLOWED ON 24/64" TO 64/64" CHK, CP: 100# TO 400#, REC 337 BBLS W/173 BLWTR. THERE WAS ONLY A SLIGHT TRACE OF SD & WAS CLEAN AFTER REC 45 BBLS OF FLU.
- 4/19/01            PUMPING CMT**  
PROG: FCP: 50#. PU 4 1/2 32A TENSION PK. RIH. SET PK @ 980', PUMPED 20 BW. DN CASING @ 350#, 4 BPM. PU HOLE. SET PK @ 916'. TESTED CSG TO 1000#. POOH. RU WIRELINE. RIH. TAG SD @ 7666'. POOH. PU 4 1/2" CBP. RIH. SET @ 7450'. POOH. PU 4 1/2 32A TENSION PK & RIH & SET IT @ 788'. PUMPED 12 BBL F WTR. EST INJ RT 4 BPM,

400#. PUMPED 75 SACKS RFC CMT, 1.61 YIELD, 14.6 PPG W/2% CAL & ¼# PER SACK CELEFLAKE. FLUSH W/3 BBL FRESH WTR SQZ, 3000#. SI FOR 30 MIN. RLS PRESS TO RLS PK TO REVERSE CIRC WELL FLOW BACK ALL CMT. POOH W/PK & TBG. FILL CSG W/15 BBL FRESH WTR. PRESS UP CSG TO 1000#. SWIFD.

4/20/01

**RIH W/PKR & FRAC STRING**

PROG: SICP: 250#. BLEW DN IN 2 MIN. RIH W/3 7/8" BIT & SCRAPER TO 1176'. CIRC CLEAN & POOH. PRESS TESTED SQZ ON DV TO 4500# SUCCESSFULLY FOR 15 MIN. RAN CBL-CCL-GR FROM 580' TO 1420'. BOND LOG LOOKED THE SAME OVER THE DV & ECP. RIH W/PERF GUN & TAGGED @ 1789'. POOH W/GUN. PICKED UP 3 7/8" BIT & SCRAPER & RIH TO 5890'. DO NOT FEEL ANYTHING @ 1789' WHEN GOING THROUGH W/BIT & SCRAPER. RIH W/3 3/8" PERF GUN & SHOT 7150'-7160' @ 4 SPF W/90 DEG PHASING. POOH.

4/23/01

**PREP TO FRAC**

4/21/01 PROG: PU 4 ½" PKR ON 2 3/8" TBG. RIH TO 7096'. SDFWE.

4/24/01

**PREP TO DO CBP**

PROG: BRK DN PERFS @ 4293# @ 3 BPM – ISIP: 1127#, FG: 0.59. F RAC'D W/36,000# 20/40 SD & 446 BBLs YF117ST LIQ GEL. ISIP: 2959#, NET PRESS INC: 1832#, FG: 0.85, MTP: 10,006#, ATP: 7655#, MTR: 15.7 BPM, ATR: 12.8 BPM. NOTE: PLANNED TO PUMP 65,000# SD. FRAC CUT SHORT DUE TO PRESS LIMITATION OF 2 3/8" TBG. FLOW BACK WELL 18 HRS ON 64/64" CHK, FTP: 50# TO 5#, 67 BWPH TO 5 BWPH, NO SD. TLTR: 446 BBLs, TLR: 224 BBLs, LLTR: 222 BBLs.

4/25/01

**PREP TO SWAB**

PROG: RLS PKR @ 7096'. PU & SET @ 2500'. PRESS TST DV TOOL TO 2000#. HELD. POOH. RIH W/3 7/8" BIT. TAG SD @ 7350'. CO SD TO CBP @ 7450'. DRLL OUT. RIH & TAG SD @ 7650'. CO TO TOP OF FISH @ 7695'. PU & LAND TBG @ 7442'. PUMP OFF BIT SUB. ATTEMPT TO FLOW BACK WELL WITH AIR FOAM UNIT. OPEN WELL TO FLOW BACK TANK. WELL DIED IN 2 HRS. CP: 850# TO 1150#, FTP: 250# TO 0, 9 BWPH TO 0. TLTR: 1076 BBLs, TLR: 588 BBLs, LLTR: 488 BBLs.

4/26/01

**SWABBING**

PROG: SITP: 1350#, SICP: 1850#. FLWD 4 HRS, REC 75 BBLs & DIED. MADE 6 SWAB TRIPS. IFL: 2300', RECOVER 20 BW. FLWD 1 HR. RECOVER 5 BW. MADE 3 SWAB TRIPS. RECOVER 10 BW. FFL: 3800'. FTP: 0, FCP: 900#. WELL DEAD. SDFN. LOAD RECOVERED LAST 24 HRS: 110 BBLs. TLTR: 1076 BBLs, TLR: 680 BBLs, LLTR: 396 BBLs.

4/27/01

**SWABBING**

PROG: SITP: 1600#, SICP: 1850#. BROACH TBG W/WIRELINE. IFL: 1000'. FLOW WELL 3 HRS THEN DIED. REC 15 BW. MADE 3 SWAB TRIPS. REC 15 BW. FLWD 1 HR, REC 10 BW. MADE 6 SWAB TRIPS. REC 10 BW, FFL: 3800', FINAL CP: 1000#. LLTR: 351 BBLs.

4/30/01

**SWABBING**

4/28/01 PROG: SITP: 1300#, SICP: 1650#. BLOW DN IN 20 MIN. 0 FLU. MADE 3 SWAB TRIPS. IFL: 3300'. REC 15 BW. FLWD 1 HR, REC 15 BW. MADE 3 SWAB TRIPS, REC: 10 BW. FLWD 1 HR, 0 WTR. MADE 6 SWAB TRIPS, REC 30 BW. FFL: 4600', FTP: 0#, FCP: 600#.

ACT: SDFWE

4/29/01 PROG: SITP: 1000#, SICP: 1450#. BLOW DN. MADE 7 SWAB TRIPS. IFL: 1800', REC 80 BW. WELL FLWD 4 HRS THEN DIED. FFL: 5000', FTP: 0, FCP: 400#, LLTR: 201 BBLs. SIFWE.

**5/01/01 SWABBING**  
 PROG: SITP: 1300#, SICP: 1750#. BLOW DN 1 HR. MADE 10 SWAB TRIPS, REC 95 BW, BLOW 30 MIN AFTER EACH SWAB TRIP. IFL: 3300', FFL: 5000', FINAL CP: 400#, LLTR: 106 BBLs.

**5/02/01 PREP TO INSTALL PLUNGER LIFT**  
 PROG: SITP: 1050#, SICP: 1300#. BLOW DN IN 20 MIN. MADE 12 SWAB TRIPS. IFL: 3000'. WELL FLWD 20 TO 30 MIN AFTER EACH SWAB TRIP. REC 75 BLW. FFL: 5600', FINAL CP: 450#.

**5/03/01 SWABBING**  
 PROG: SITP: 1050#, SICP: 1250#. INSTALL PLUNGER LIFT EQUIP. MADE 2 SWAB TRIPS. IFL: 2500'. REC 15 BW. CYCLE PLUNGER 2 TIMES. WELL DIED. MADE 3 SWAB TRIPS. REC 15 BW. PUT PLUNGER ON CYCLE. LLTR: 171 BBLs.

**5/04/01 PRODUCING TO SALES**  
 PROG: SITP: 1100#, SICP: 1300#. BLEW WELL DN IN 15 MIN. MADE 2 SWAB TRIPS. IFL: 2500'. REC 15 BW. DROPPED PLUNGER & PUT WELL ON PROD. LLTR: 156 BBLs.

**5/07/01 PRODUCING TO SALES**  
 5/5/01 PROG: SITP: 0#, SICP: 950#. WELL LOGGED OFF OVERNIGHT. MADE 3 SWAB TRIPS & WELL STARTED TO FLOW. REC 15 BLW, IFL: 1800'.  
 5/6/01 PROG: PLACED ON SALES NO SPOT DATA AVAILABLE.  
 5/7/01 PROG: FLWD 35 MCF, 7 BW, FTP: 210#, CP: 1280#, 64/64" CHK, 24 HRS, LP: 68#, LLTR: 134 BBLs.

**5/08/01 PRODUCING TO SALES**  
 PROG: FLWD 13 MCF, FTP: 20#, CP: 1075#, 40 BW, LP: 65#, LLTR: 94 BBLs.

**5/09/01 PRODUCING TO SALES**  
 FLWD 13 MCF, FTP: 110#, CP: 1250#, 18 BW, 64/64" CHK, LLTR: 76 BBLs.

**5/10/01 PREP TO CO CSG**  
 BLOW WELL DN. RIH & SET CIBP @ 7100'. RIH & PERF WASATCH INTERVALS AS FOLLOWS:  
 6408'-6412', 4 SPF, 16 HOLES  
 6197'-6201', 4 SPF, 16 HOLES  
 6114'-6116', 4 SPF, 8 HOLES  
 6039'-6045', 4 SPF, 24 HOLES  
 5904'-5908', 4 SPF, 16 HOLES  
 5528'-5536', 4 SPF, 32 HOLES  
 5362'-5366', 4 SPF, 16 HOLES  
 PU & SIH W/FLAT BTM MILL & 4 1/2" CSG SCRAPER. EOT @ 5337'.

**5/11/01 PREP FOR COILED TBG FRAC**  
 PROG: CO WELLBORE W/CSG SCRAPER TO 7100'. CIRC WELLBORE CLEAN. POOH & LD 2 3/8" TBG. RDMO. PREP LOCATION FOR CT FRAC SCHEDULED FOR 5/15/01.

**5/14/01 SI WO CTU**  
 5/12-14/01 PROG: SCHEDULED TO FRAC 5/15/01.

**5/15/01 PREP TO FRAC**  
 RU SCHLUMBERGER CTU.

5/16/01

**PREP TO SPOT ACID**

PROG: SIH W/CTU. UNABLE TO GO PASSED 758'. POOH & REPLACE DAMAGED TOOL. RIH & SET MOJAVE TOOL OVER PERF INTERVAL 6408'-6414'. FRAC PERFS W/19,540# 20/40 SD W/PROP NET IN LAST 10% SD & 174 BBLS 30% QUALITY N2 CLEAR FRAC LIQ GEL. ISIP: 2119#, NET PRESS INC: 744#, FG: 0.77, MTP: 9837#, ATP: 6542#, MTR: 6.0 BPM, ATR: 3.5 BPM. MOVE UP HOLE & UNSUCCESSFULLY ATTEMPT TO BRK DN PERFS @ 6197'-6201', 6114'-6116', & 6039'-6045' W/9500#. SOOH W/CTU.

5/17/01

**PREP TO FRAC STAGES 2-7**

PROG: RIH & SET CBP @ 6390'. DUMP BAIL 15% HCL ACROSS PERFS 6197'-6201', 6114'-6116', 6039'-6045', 5904'-5908', 5528'-5536', AND 5362'-5366'. RU CTU. PREP TO RIH W/CT IN AM.

5/18/01

**PREP TO FISH PKR**

STAGE 2: RIH & SET MOJAVE PKR OVER PERFS 6197'-6201'. BRK DN W/5500# - ISIP: 1377#. FRAC W/17,763# 20/40 SD W/PROP NET IN LAST 10% SD AND 155 BBLS 30% QUALITY N2 CLEAR FRAC. ISIP: 2100#, NET PRESS INC: 723#, FG: 0.77, MTP: 9507#, ATP: 7554#, MTR: 6 BPM, ATR: 6 BPM.

STAGE 3: RAISE CT & SET PKR ACROSS PERFS 6114'-6116'. BRK DN W/7570#, ISIP: 1935#. FRAC W/10,900# 20/40 SD W/PROP NET IN LAST 10% SD AND 129 BBLS 30% QUALITY N2 CLEAR FRAC. ISIP: 1125#, FG: 0.62, MTP: 10,596#, ATP: 6578#, MTR: 6 BPM, ATR: 5.5 BPM.

STAGE 4: RAISE CT & SET PKR ACROSS PERFS 6039'-6045'. NO BRK DN - ISIP: 1050#. FRAC W/24,394# 20/40 SD W/PROP NET IN LAST 10% SD & 191 BBLS 30% QUALITY CLEAR FRAC LIQ GEL. ISIP: 1386#, NET PRESS INC: 336#, FG: 0.66. MTP: 9287#, ATP: 7302#, MTR: 7 BPM. ATR: 6 BPM.

STAGE 5: RAISE CT & SET PKR ACROSS PERFS 5908'-5904'. NO BRK DN - ISIP: 1300#. FRAC W/19,255# 20/40 SD W/PROP NET IN LAST 10% SD AND 173 BBLS 30% QUALITY CLEAR FRAC LIQ GEL. ISIP: 1427#, NET PRESS INC: 127#, FG: 0.68, MTP: 9072#, MTR: 7451#, MTR: 7 BPM, ATR: 6 BPM.

STAGE 6: RAISE CT & SET PKR ACROSS PERFS 5528'-5536'. BRK DN W/5570#, ISIP: 1125#, FG: 0.64. FRAC W/39,593# 20/40 SD W/PROP NET IN LAST 10% SD AND 298 BBLS 30% QUALITY N2 CLEAR FRAC LIQ GEL. ISIP: 1372#, NET PRESS INC: 247#, FG: 0.68, MTP: 9127#, ATP: 7474#, MTR: 7 BPM, ATR: 6 BPM.

STAGE 7: RAISE CT & SET PKR ACROSS PERFS 5362'-5366'. BRK DN W/3100#, ISIP: 1200#, FRAC'D W/38,840# 20/40 SD W/PROP NET IN LAST 10% SD & 265 BBLS 30% QUALITY CLEAR FRAC LIQ GEL. ISIP: 1240#, NET PRESS INC: 40#, FG: 0.67, MTP: 9305#, ATP: 7898#, MTR: 7 BPM, ATR: 6 BPM. POOH W/CT. LEFT MOJAVE TOOL IN HOLE. PREP TO FISH.

5/21/01

**RIH SET CBP**

5/19/01 PROG: SICP: 1500#. RIH W/OS & TAGGED FISH @ 5289'. POOH WITHOUT FISH. RIH & LATCHED ONTO FISH @ 6250'. POOH W/FISH. FLOWED BACK OVERNIGHT. CP: 750#-400#, FCP: 750#-400#, CHK: 18/64" TO 16/64", BWPH: 54 TO 4, SD: HEAVY TO MED, EST 300MCF.

5/20/01 PROG: FLOWED FROM 7 AM TO 4 PM: FCP: 350# TO 290#, CHK: 18/64" TO 24/64", BWPH: 4 TO 0, SD: LIGHT TO CLEAN, EST 1000 MCF. TLTR: 1385 BBLS, TLR: 909 BBLS, LLTR: 476 BBLS.

5/22/01

**DRILLING OUT PLUG**

SICP: 1500#. MIRU GWS RIG #102 & EQUIP. RU CUTTERS. PU 4 1/2" CBP. RIH. SET PLUG @ 5310'. POOH. PU 3 7/8" MILL TOOTH BIT & PUMP OFF SUB 1 JT SN. RIH W/2 3/8" N-80 TBG STRING. EOT @ 5290' DRIFT TBG EVERY 1500'. SI WELL. SDFD.



**5/23/01**

**TURN TO SALES**

SICP: 0#, SITP: 0#. EST CIRC. RIH & DRILL OUT PLUG @ 5310' IN 15 MIN, DIFF: 500#. RIH & TAG SD @ 6370'. DRILL PLUG @ 6390', 20' OF FILL, DIFF: 300#. RIH TO 7100'. PUH TO 6371', SN @ 6340', LANDED TBG. NDBOPS. NUWH. DROP BALL, PUMPED OFF BIT @ 750#. TURN WELL OVER TO DELSCO FLOW BACK CREW. SDFD. 6 PM: CP: 700#, FTP: 480#, 18/64" CHK. 6 AM: CP: 700#, FTP: 325#, 18/64" CHK, 28 BW, 600 MCFD, 12 HRS. PUT ON PRODUCTION.

**5/24/01**

**ON SALES**

PUT ON @ 8 AM. SPOT @ FTP: 400#, CP: 710#, 64/64" CHK. LP: 130#.

**5/25/01**

**ON SALES**

363 MCF, 0 BC, 48 BW, FTP: 140#, CP: 420#, 64/64" CHK, 24 HRS. LP: 90#. TLTR: 1500 BBLS, TLR: 885 BBLS, LLTR: 615 BBLS.

**5/29/01**

**ON SALES**

5/26/01 FLWD 397 MCF, 1 BC, 32 BW, FTP: 138#, CP: 410#, 64/64" CHK, 24 HRS, LP: 86#.  
5/27/01 PROG: FLWD 378 MCF, 1 BC, 22 BW, FTP: 140#, CP: 470#, 64/64" CHK, 24HRS, LP: 96#.  
5/28/01 FLWD 369 MCF, 20 BW, FTP: 81#, CP 440#, 64/64" CHK, 24 HRS, LP: 81#.  
5/29/01 FLWD 354 MCF, 20 BW, FTP: 100#, CP: 390#, 64/64" CHK, 24 HRS, LP: 77#. TLTR: 1500 BBLS, TLR: 979 BBLS, LLTR: 521 BBLS. FINAL REPORT. IP DATE: 5/25/01 FLWG 397 MCF, 1 BC, 32

STATE OF UTAH  
DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF OIL, GAS AND MINING

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

1. TYPE OF WELL OIL WELL ☐ GAS WELL ☐ OTHER \_\_\_\_\_

2. NAME OF OPERATOR: El Paso Production Oil & Gas Company

3. ADDRESS OF OPERATOR: 8 South 1200 East CITY Vernal STATE Utah ZIP 84078 PHONE NUMBER: 435-789-4433

4. LOCATION OF WELL FOOTAGES AT SURFACE: \_\_\_\_\_ COUNTY: \_\_\_\_\_

QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: \_\_\_\_\_ STATE: UTAH

5. LEASE DESIGNATION AND SERIAL NUMBER:  
6. IF INDIAN, ALLOTTEE OR TRIBE NAME:  
7. UNIT or CA AGREEMENT NAME:  
8. WELL NAME and NUMBER: Exhibit "A"  
9. API NUMBER:  
10. FIELD AND POOL, OR WILDCAT:

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: _____	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION	
	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL	
	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON	
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR	
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE	
<input type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: _____	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL	
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF	
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input checked="" type="checkbox"/> OTHER: Name Change	
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION		

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

As a result of the merger between The Coastal Corporation and a wholly owned subsidiary of El Paso Energy Corporation, the name of Coastal Oil & Gas Corporation has been changed to El Paso Production Oil & Gas Company effective March 9, 2001.

See Exhibit "A"

Bond # 400JU0708

Coastal Oil & Gas Corporation

NAME (PLEASE PRINT) John T. Elzner

TITLE Vice President

SIGNATURE 

DATE 06-15-01

El Paso Production Oil & Gas Company

NAME (PLEASE PRINT) John T. Elzner

TITLE Vice President

SIGNATURE 

DATE 06-15-01

(This space for State use only)

RECEIVED

JUN 19 2001

DIVISION OF  
OIL, GAS AND MINING

State of Delaware  
Office of the Secretary of State

---

PAGE 1

I, HARRIET SMITH WINDSOR, SECRETARY OF STATE OF THE STATE OF DELAWARE, DO HEREBY CERTIFY THE ATTACHED IS A TRUE AND CORRECT COPY OF THE CERTIFICATE OF AMENDMENT OF "COASTAL OIL & GAS CORPORATION", CHANGING ITS NAME FROM "COASTAL OIL & GAS CORPORATION" TO "EL PASO PRODUCTION OIL & GAS COMPANY", FILED IN THIS OFFICE ON THE NINTH DAY OF MARCH, A.D. 2001, AT 11 O'CLOCK A.M.

RECEIVED

MAR 11 2001

DIVISION OF  
OIL, GAS AND MINING



*Harriet Smith Windsor*  
Harriet Smith Windsor, Secretary of State

0610204 8100

AUTHENTICATION: 1061007

010162788

DATE: 04-03-01

## CERTIFICATE OF AMENDMENT

OF

## CERTIFICATE OF INCORPORATION

COASTAL OIL & GAS CORPORATION (the "Company"), a corporation organized and existing under and by virtue of the General Corporation Law of the State of Delaware, DOES HEREBY CERTIFY:

FIRST: That the Board of Directors of the Company, by the unanimous written consent of its members, filed with the minutes of the Board, adopted a resolution proposing and declaring advisable the following amendment to the Certificate of Incorporation of the Company:

RESOLVED that it is deemed advisable that the Certificate of Incorporation of this Company be amended, and that said Certificate of Incorporation be so amended, by changing the Article thereof numbered "FIRST." so that, as amended, said Article shall be and read as follows:

"FIRST. The name of the corporation is El Paso Production Oil & Gas Company."

SECOND: That in lieu of a meeting and vote of stockholders, the stockholders entitled to vote have given unanimous written consent to said amendment in accordance with the provisions of Section 228 of the General Corporation Law of the State of Delaware.

THIRD: That the aforesaid amendment was duly adopted in accordance with the applicable provisions of Sections 242 and 228 of the General Corporation Law of the State of Delaware.

IN WITNESS WHEREOF, said COASTAL OIL & GAS CORPORATION has caused this certificate to be signed on its behalf by a Vice President and attested by an Assistant Secretary, this 9th day of March 2001.

COASTAL OIL &amp; GAS CORPORATION



David L. Siddall  
Vice President

Attest:

  
(Margaret E. Roark, Assistant Secretary)

RECEIVED

STATE OF DELAWARE  
SECRETARY OF STATE  
DIVISION OF CORPORATIONS  
FILED 11:00 AM 03/09/2001  
010118394 - 0610204

JUN 19 2001

DIVISION OF  
OIL, GAS AND MINING



# United States Department of the Interior

## BUREAU OF LAND MANAGEMENT

Utah State Office  
P.O. Box 45155  
Salt Lake City, UT 84145-0155

**RECEIVED**

JUL 12 2001

DIVISION OF  
OIL, GAS AND MINING

In Reply Refer To:  
3106  
UTSL-065841  
(UT-924)

JUL 10 2001

### NOTICE

El Paso Production Oil & Gas Company : Oil and Gas  
Nine Greenway Plaza :  
Houston TX 77046-0095 :

#### Name Change Recognized

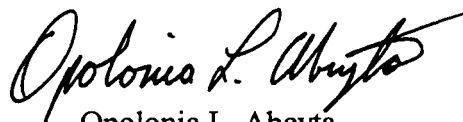
Acceptable evidence has been received in this office concerning the name change of Coastal Oil & Gas Corporation into El Paso Production Oil & Gas Company with El Paso Production Oil & Gas Company being the surviving entity.

For our purposes, the name change is recognized effective March 9, 2001.

The oil and gas lease files identified on the enclosed exhibit have been noted as to the name change. The exhibit was compiled from a list of leases obtained from our computer program. We have not abstracted the lease files to determine if the entities affected by this name change hold an interest in the leases identified nor have we attempted to identify leases where the entities are the operator on the ground maintaining no vested recorded title or operating rights interests. We will be notifying the Minerals Management Service and all applicable Bureau of Land Management offices of the change by a copy of this notice. If additional documentation for changes of operator are required by our Field Offices, you will be contacted by them.

If you identify additional leases in which the entities maintain an interest, please contact this office and we will appropriately document those files with a copy of this Notice.

Due to the name change, the name of the principal/obligor on the bond is required to be changed from Coastal Oil & Gas Corporation to El Paso Production Oil & Gas Company. You may accomplish this either by consent of surety rider on the original bond or a rider to the original bond. The bonds are held in Wyoming and Colorado.



Opolonia L. Abeyta  
Acting Chief, Branch of  
Minerals Adjudication

Enclosure

1. Exhibit of Leases (1 pp)

cc: Moab Field Office  
Vernal Field Office  
MMS, Reference Data Branch, MS3130, PO Box 5860, Denver CO 80217  
~~State of Utah, DOGM,~~ Attn: Jim Thompson (Ste. 1210), Box 145801, SLC UT 84114  
Teresa Thompson (UT-922)  
Joe Incardine (UT-921)

### Exhibit of Leases

UTUSL-065841A	UTU-47172	UTU-74415	UTU-53860
UTU-28652	UTU-50687	UTU-74416	UTU-66401
UTU-37943	UTU-52298	UTU-75091	UTU-67868
UTU-44089	UTU-0109054	UTU-75096	UTU-65389
UTU-44090A	UTU-0143511	UTU-75097	UTU-77084
UTU-61263	UTU-0143512	UTU-75673	UTU-61430
UTU-00343	UTU-38401	UTU-76259	UTU-72633
UTU-02651	UTU-38411	UTU-76260	UTU-72650
UTU-02651B	UTU-38418	UTU-76261	UTU-49692
UTU-0142175	UTU-38419	UTU-76493	UTU-57894
UTU-70235	UTU-38420	UTU-76495	UTU-76829
UTU-70406	UTU-38421	UTU-76503	UTU-76830
UTU-74954	UTU-38423	UTU-78228	UTU-76831
UTU-75132	UTU-38424	UTU-78714	
UTU-75699	UTU-38425	UTU-78727	
UTU-76242	UTU-38426	UTU-78734	
UTU-78032	UTU-38427	UTU-79012	
UTU-4377	UTU-38428	UTU-79011	
UTU-4378	UTU-53861	UTU-71694	
UTU-7386	UTU-58097	UTU-00576	
UTU-8344A	UTU-64376	UTU-00647	
UTU-8345	UTU-65222	UTU-01470D	
UTU-8347	UTU-65223	UTU-0136484	
UTU-8621	UTU-66746	UTU-8344	
UTU-14646	UTU-67178	UTU-8346	
UTU-15855	UTU-67549	UTU-8648	
UTU-25880	UTU-72028	UTU-28212	
UTU-28213	UTU-72632	UTU-30289	
UTU-29535	UTU-73009	UTU-31260	
UTU-29797	UTU-73010	UTU-33433	
UTU-31736	UTU-73013	UTU-34711	
UTU-34350	UTU-73175	UTU-46699	
UTU-34705	UTU-73434	UTU-78852	
UTU-37116	UTU-73435	UTU-78853	
UTU-37355	UTU-73444	UTU-78854	
UTU-37573	UTU-73450	UTU-075939	
UTU-38261	UTU-73900	UTU-0149767	
UTU-39223	UTU-74409	UTU-2078	
UTU-40729	UTU-74410	UTU-44426	
UTU-40736	UTU-74413	UTU-49530	
UTU-42469	UTU-74414	UTU-51026	

**OPERATOR CHANGE WORKSHEET****ROUTING**

1. GLH		4-KAS
2. CDW ✓		5-LP ✓
3. JLT		6-FILE

Enter date after each listed item is completed

Change of Operator (Well Sold)

Designation of Agent

Operator Name Change (Only)

**X**      **Merger**The operator of the well(s) listed below has changed, effective: **3-09-2001**

<b>FROM: (Old Operator):</b>
COASTAL OIL & GAS CORPORATION
Address: 9 GREENWAY PLAZA STE 2721
HOUSTON, TX 77046-0995
Phone: 1-(713)-418-4635
Account N0230

<b>TO: ( New Operator):</b>
EL PASO PRODUCTION OIL & GAS COMPANY
Address: 9 GREENWAY PLAZA STE 2721 RM 2975B
HOUSTON, TX 77046-0995
Phone: 1-(832)-676-4721
Account N1845

CA No.

Unit: NATURAL BUTTES

**WELL(S)**

NAME	API NO	ENTITY NO	SEC TWN RNG	LEASE TYPE	WELL TYPE	WELL STATUS
NBU CIGE 63D-29-9-22P	43-047-30949	2900	29-09S-22E	FEDERAL	GW	P
CIGE 116-29-9-22	43-047-31919	2900	29-09S-22E	FEDERAL	GW	P
NBU 329-29E	43-047-32229	2900	29-09S-22E	FEDERAL	GW	P
CIGE 189-29-9-22	43-047-32863	2900	29-09S-22E	FEDERAL	GW	P
NBU 389-29E	43-047-33049	2900	29-09S-22E	FEDERAL	GW	P
NBU 52	43-047-30850	2900	30-09S-22E	FEDERAL	GW	P
NBU 49V	43-047-31249	2900	30-09S-22E	FEDERAL	GW	P
NBU 49-30-9-22	43-047-31735	2900	30-09S-22E	FEDERAL	GW	P
COG NBU 78	43-047-31762	2900	30-09S-22E	FEDERAL	GW	P
NBU 184	43-047-32170	2900	30-09S-22E	FEDERAL	GW	P
NBU 186	43-047-32233	2900	30-09S-22E	FEDERAL	GW	P
NBU 236	43-047-32994	2900	30-09S-22E	FEDERAL	GW	P
NBU 278	43-047-33011	2900	30-09S-22E	FEDERAL	GW	DRL
NBU 356	43-047-33232	2900	30-09S-22E	FEDERAL	GW	P
NBU 354	43-047-33231	2900	31-09S-22E	FEDERAL	GW	P
NBU CIGE 27-33-9-22	43-047-30738	2900	33-09S-22E	FEDERAL	GW	P
NBU CIGE 64D-33-9-22P	43-047-30950	2900	33-09S-22E	FEDERAL	GW	P
COG NBU 93	43-047-31753	2900	33-09S-22E	FEDERAL	GW	P
CIGE 109D-33-9-22	43-047-31754	2900	33-09S-22E	FEDERAL	GW	P
NBU 112	43-047-31930	2900	33-09S-22E	FEDERAL	GW	P

**OPERATOR CHANGES DOCUMENTATION**

1. (R649-8-10) Sundry or legal documentation was received from the **FORMER** operator on: 06/19/2001
2. (R649-8-10) Sundry or legal documentation was received from the **NEW** operator on: 06/19/2001
3. The new company has been checked through the **Department of Commerce, Division of Corporations Database** on: 06/21/2001
4. Is the new operator registered in the State of Utah: YES Business Number: 608186-0143



5. If **NO**, the operator was contacted contacted on: N/A
6. **Federal and Indian Lease Wells:** The BLM and or the BIA has approved the (merger, name change, or operator change for all wells listed on Federal or Indian leases on: 07/10/2001
7. **Federal and Indian Units:** The BLM or BIA has approved the successor of unit operator for wells listed on: 07/10/2001
8. **Federal and Indian Communization Agreements ("CA"):** The BLM or the BIA has approved the operator change for all wells listed involved in a CA on: 07/10/2001
9. **Underground Injection Control ("UIC")** The Division has approved UIC Form 5, **Transfer of Authority to Inject**, for the enhanced/secondary recovery unit/project for the water disposal well(s) listed on: N/A

---

**DATA ENTRY:**

1. Changes entered in the **Oil and Gas Database** on: 08/01/2001
2. Changes have been entered on the **Monthly Operator Change Spread Sheet** on: 08/01/2001
3. Bond information entered in RBDMS on: N/A
4. Fee wells attached to bond in RBDMS on: N/A

---

**STATE BOND VERIFICATION:**

1. State well(s) covered by Bond No.: N/A

---

**FEDERAL BOND VERIFICATION:**

1. Federal well(s) covered by Bond No.: WY 2793

---

**FEE WELLS - BOND VERIFICATION/LEASE INTEREST OWNER NOTIFICATION:**

1. (R649-3-1) The **NEW** operator of any fee well(s) listed covered by Bond No: N/A
2. The **FORMER** operator has requested a release of liability from their bond on: N/A  
The Division sent response by letter on: N/A
3. (R649-2-10) The **FORMER** operator of the Fee wells has been contacted and informed by a letter from the Division of their responsibility to notify all interest owners of this change on: \_\_\_\_\_

---

**FILMING:**

1. All attachments to this form have been **MICROFILMED** on: \_\_\_\_\_

---

**FILING:**

1. **ORIGINALS/COPIES** of all attachments pertaining to each individual well have been filled in each well file on: \_\_\_\_\_

---

**COMMENTS:** Master list of all wells involved in operator change from Coastal Oil & Gas Corporation to El Paso Production Oil and Gas Company shall be retained in the "Operator Change File".

---

---

---

---

---

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

FORM APPROVED  
OMB NO. 1004-0135  
Expires: November 30, 2000

**SUNDRY NOTICES AND REPORTS ON WELLS**  
**Do not use this form for proposals to drill or to re-enter an abandoned well. Use form 3160-3 (APD) for such proposals.**

**SUBMIT IN TRIPLICATE - Other instructions on reverse side.**

5. Lease Serial No.  
U-464

6. If Indian, Allottee or Tribe Name  
N/A

7. If Unit or CA/Agreement, Name and/or No.  
NATURAL BUTTES

8. Well Name and No.  
NBU 354

API Well No.  
43-047-33231

10. Field and Pool, or Exploratory  
NATURAL BUTTES

11. County or Parish, and State  
UINTAH COUNTY, UT

1. Type of Well  
☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator  
EL PASO PRODUCTION

Contact: CHERYL CAMERON<sup>9</sup>  
E-Mail: Cheryl.Cameron@CoastalCorp.com

3a. Address  
P.O. BOX 1148  
VERNAL, UT 84078

3b. Phone No. (include area code)  
Ph: 435.781.7023  
Fx: 435.789.4436

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)  
Sec 31 T9S R22E Mer NWNW 374FNL 1611FWL

**12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA**

TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input checked="" type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

Any produced water from the subject well will be contained in a water tank and will be hauled by truck to one of the pre-approved disposal sites: RNI, Sec.5, T9S, R22E, NBU #159, Sec.35, T9S, R21E, Ace Oilfield, Sec.2, T6S, R20E, MC&MC, Sec.12, T6S, R19E.

Accepted by the  
Utah Division of  
Oil, Gas and Mining  
FOR RECORD ONLY

**RECEIVED**

SEP 04 2001

DIVISION OF  
OIL, GAS AND MINING

14. I hereby certify that the foregoing is true and correct.

Electronic Submission #6747 verified by the BLM Well Information System  
For EL PASO PRODUCTION, sent to the Vernal

Name (Printed/Typed) CHERYL CAMERON

Title OPERATIONS

Signature

Date 08/29/2001

**THIS SPACE FOR FEDERAL OR STATE OFFICE USE**

Approved By

Title

Date

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Office

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

**\*\* ORIGINAL \*\* ORIGINAL \*\* ORIGINAL \*\* ORIGINAL \*\* ORIGINAL \*\* ORIGINAL \*\* ORIGINAL \*\***

JAN. 17. 2003 3:34PM

WESTPORT

NO. 173 P. 2

**WESTPORT OIL AND GAS COMPANY, L.P.**

410 Seventeenth Street #2300 Denver Colorado 80202-4436  
Telephone: 303 573 5404 Fax: 303 573 5609

**February 1, 2002**

Department of the Interior  
Bureau of Land Management  
2850 Youngfield Street  
Lakewood, CO 80215-7093  
Attention: Ms. Martha Maxwell

**RE: BLM Bond CO-1203  
BLM Nationwide Bond 158626364  
Surety - Continental Casualty Company  
Belco Energy Corporation merger into Westport Oil and Gas Company, Inc.  
Conversion of Westport Oil and Gas Company, Inc., into Westport Oil and Gas Company, L.P.  
Assumption Rider - Westport Oil and Gas Company, L.P.**

**Dear Ms. Maxwell:**

Pursuant to our recent conversations, please find the following list of enclosures for the BLM's consideration and approval:

**Two (2) Assumption Riders, fully executed originals.  
Copies of Belco Energy Corporation merger into Westport Oil and Gas Company, Inc.  
Copies of Westport Oil and Gas Company, Inc., conversion into Westport Oil and Gas Company, L.P.  
List of all Federal/BIA/State Leases - Belco/Westport's leases - in all states.**

Please inform us of any additional information needed to complete the change to Westport Oil and Gas Company, L.P., as operator of record.

I thank you for your assistance and cooperation in this matter. Please do not hesitate contacting the undersigned, should a question arise.

Sincerely,  
Westport Oil and Gas Company, L.P.

Debby J. Black  
Engineer Technician

Encl;



# United States Department of the Interior **RECEIVED**

## BUREAU OF LAND MANAGEMENT

Utah State Office  
P.O. Box 45155  
Salt Lake City, UT 84145-0155

FEB 22 2002

**DIVISION OF  
OIL, GAS AND MINING**

In Reply Refer To:

3106

UTU-25566 et al

(UT-924)

**FEB 21 2002**

### NOTICE

Westport Oil and Gas Company L.P. : Oil and Gas  
410 Seventeenth Street, #2300 :  
Denver Colorado 80215-7093 :

#### Name Change Recognized

Acceptable evidence has been received in this office concerning the name change of Westport Oil and Gas Company, Inc. into Westport Oil and Gas Company, L.P. with Westport Oil and Gas Company, L.P. being the surviving entity.

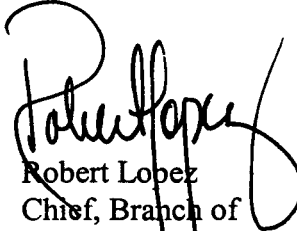
For our purposes, the name change is recognized effective December 31, 2001.

The oil and gas lease files identified have been noted as to the name change. The exhibit was compiled from a list of leases obtained from our computer program. We have not abstracted the lease files to determine if the entities affected by this name change hold an interest in the leases identified nor have we attempted to identify leases where the entities are the operator on the ground maintaining no vested recorded title or operating rights interests. We will be notifying the Minerals Management Service and all applicable Bureau of Land Management offices of the change by a copy of this notice. If additional documentation for changes of operator are required by our Field Offices, you will be contacted by them.

If you identify additional leases in which the entities maintain an interest, please contact this office and we will appropriately document those files with a copy of this Notice.

Due to the name change, the name of the principal/obligor on the bond is required to be changed from Westport Oil and Gas Company, Inc. to Westport Oil and Gas Company, L.P.. You may accomplish this either by consent of surety rider on the original bond or a rider to the original bond. The bonds are held in Colorado.

UTU-03405  
UTU-20895  
UTU-25566  
UTU-43156  
UTU-49518  
UTU-49519  
UTU-49522  
UTU-49523



Robert Lopez  
Chief, Branch of  
Minerals Adjudication

cc: Moab Field Office  
Vernal Field Office  
MMS, Reference Data Branch, MS3130, PO Box 5860, Denver CO 80217  
State of Utah, DOGM, Attn: Jim Thompson (Ste. 1210), Box 145801, SLC UT 84114  
Teresa Thompson (UT-922)  
Joe Incardine (UT-921)

UNITED STATES GOVERNMENT

# memorandum

Branch of Real Estate Services  
Uintah & Ouray Agency

Date: 5 December, 2002

Reply to  
Attn of: Supervisory Petroleum Engineer

Subject: Modification of Utah Division of Oil, Gas and Mining Regulations

To: Director, Utah Division of Oil, Gas and Mining Division: John Baza

We have been advised of changes occurring with the operation of your database for Change of Operator. You will be modifying your records to reflect Change of Operator once you have received all necessary documentation from the companies involved, and perhaps in advance of our Notice of Concurrence/Approval of Change of Operator where Indian leases are involved.

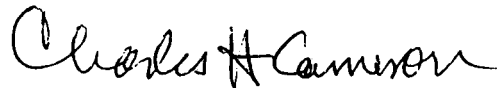
We have no objection.

With further comment to Rulemaking, I wish to comment concerning the provision of Exhibits for upcoming Hearings. I would like to see the Uintah & Ouray Agency, BIA, and the Ute Indian Tribe, Energy & Mineral Resources Department added to the list of those parties that receive advance Exhibits so as to allow us to have research time prior to Hearing dates. We will be able to provide a more informed recommendation to the Oil, Gas and Mining Board. It would be best if we would receive only those Exhibits that concern Indian lands, specifically on or adjacent to Indian lands. This may be a difficult situation to attain, as it is not always clear where 'on or adjacent' occurs.

I am aware that you have gone to extra effort to correct this matter already, and I fully appreciate it. My request is intended only to allow the addition of Uintah & Ouray Agency and Ute Indian Tribe to the official listing.

We appreciate your concern, and hope that these comments are timely enough for consideration in the revision process.

CC: Minerals & Mining Section of RES  
Ute Energy & Mineral Resources Department: Executive Director  
chrono





IN REPLY REFER TO:  
Real Estate Services

## United States Department of the Interior

BUREAU OF INDIAN AFFAIRS

Washington, D.C. 20240

FEB 10 2003

Carroll A. Wilson  
Principal Landman  
Westport Oil and Gas Company, L.P.  
1368 South 1200 East  
Vernal, Utah 84078

Dear Mr. Wilson:

This is in response to your request for approval of RLI Insurance Company's Nationwide Oil and Gas Lease Bond No. RLB0005239 executed effective December 17, 2002, (\$150,000 coverage) with Westport Oil and Gas Company, L. P., as principal.

This bond is hereby approved as of the date of this correspondence and will be retained in the Bureau of Indian Affairs' Division of Real Estate Services, 1849 C Street, NW, MS-4512-MIB, Washington, D.C. 20240. All Bureau oil and gas regional offices and the surety are being informed of this action.

In cases where you have existing individual and/or collective bonds on file with one or more of our regional offices, you may now request those offices, directly, to terminate in lieu of coverage under this Nationwide Bond.

Enclosed is a copy of the approved bond for your files. If we may be of further assistance in this matter, please advise.

Sincerely,

**ACTING**

Director, Office of Trust Responsibilities

Enclosure



# United States Department of the Interior

## BUREAU OF LAND MANAGEMENT

Utah State Office  
P.O. Box 45155  
Salt Lake City, UT 84145-0155

IN REPLY REFER TO  
UT-922

February 27, 2003

Westport Oil and Gas Company, L.P.  
Attn: Gary D. Williamson  
1670 Broadway, Suite 2800  
Denver, Colorado 80202

Re: Natural Buttes Unit  
Uintah County, Utah

Gentlemen:

On February 27, 2003, we received an indenture dated December 17, 2002, whereby El Paso Production Oil & Gas Company resigned as Unit Operator and Westport Oil and Gas Company, L.P., was designated as Successor Unit Operator for the Natural Buttes Unit, Uintah County, Utah.

This indenture was executed by all required parties and the signatory parties have complied with Sections 5 and 6 of the unit agreement. The instrument is hereby approved effective February 27, 2003. In approving this designation, the Authorized Officer neither warrants nor certifies that the designated party has obtained all required approval that would entitle it to conduct operations under the Natural Buttes Unit Agreement.

Your nationwide (Colorado) oil and gas bond No. 1203 will be used to cover all operations within the Natural Buttes Unit.

It is requested that you notify all interested parties of the change in unit operator. Copies of the approved instruments are being distributed to the appropriate federal offices, with one copy returned herewith.

Sincerely,

/s/ Robert A. Henricks

Robert A. Henricks  
Chief, Branch of Fluid Minerals

Enclosure

bcc: Field Manager - Vernal (w/enclosure)  
SITLA  
Division of Oil, Gas & Mining  
Minerals Adjudication Group  
File - Natural Buttes Unit (w/enclosure)  
Agr. Sec. Chron  
Fluid Chron

UT922:TAThompson:tt:02/27/2003

RECEIVED

FEB 28 2003

DIV. OF OIL, GAS & MINING



STATE OF UTAH  
DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF OIL, GAS AND MINING

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

5. LEASE DESIGNATION AND SERIAL NUMBER:

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

7. UNIT or CA AGREEMENT NAME:

8. WELL NAME and NUMBER:

Exhibit "A"

9. API NUMBER:

10. FIELD AND POOL, OR WILDCAT:

1. TYPE OF WELL

OIL WELL ☐

GAS WELL ☐

OTHER

2. NAME OF OPERATOR:

El Paso Production Oil & Gas Company

3. ADDRESS OF OPERATOR:

9 Greenway Plaza

CITY Houston

STATE TX

ZIP 77064-0995

PHONE NUMBER:

(832) 676-5933

4. LOCATION OF WELL

FOOTAGES AT SURFACE:

COUNTY:

QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:

STATE:

UTAH

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: _____	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION	
	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL	
	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON	
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input checked="" type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR	
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE	
<input type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: _____	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL	
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF	
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input type="checkbox"/> OTHER: _____	
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION		

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

Operator change to Westport Oil and Gas Company, L.P., 1670 Broadway, Suite 2800, Denver, CO. 80202-4800, effective December 17, 2002.

BOND # \_\_\_\_\_

State Surety Bond No. RLB0005236  
Fee Bond No. RLB0005238

EL PASO PRODUCTION OIL & GAS COMPANY

By: \_\_\_\_\_

Jon R. Nelsen, Attorney-in-Fact

RECEIVED

FEB 28 2003

DIV. OF OIL, GAS & MINING

WESTPORT OIL AND GAS COMPANY, L.P.

NAME (PLEASE PRINT)

David R. Dix

TITLE

Agent and Attorney-in-Fact

SIGNATURE

DATE

12/17/02

(This space for State use only)

Form 3160-5  
(August 1999)UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

## SUNDRY NOTICES AND REPORTS ON WELLS

*Do not use this form for proposals to drill or reenter an abandoned well. Use Form 3160-3 (APD) for such proposals.*FORM APPROVED  
OMB No. 1004-0135  
Expires November 30, 2000

5. Lease Serial No.

SEE ATTACHED EXHIBIT "A"

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.

8. Well Name and No.

SEE ATTACHED EXHIBIT "A"

9. API Well No.

SEE ATTACHED EXHIBIT "A"

10. Field and Pool, or Exploratory Area

11. County or Parish, State

UINTAH COUNTY, UT

SUBMIT IN TRIPLICATE - Other instructions on reverse side

1. Type of Well

☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator

WESTPORT OIL &amp; GAS COMPANY, L.P.

3a. Address

P.O. BOX 1148 VERNAL, UT 84078

3b. Phone No. (include area code)

(435) 781-7023

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

SEE ATTACHED EXHIBIT "A"

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	SUCCESSOR OF
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	OPERATOR

13. Describe Proposed or Completed Operations (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 shall be filed when testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator determined that the site is ready for final inspection.

WESTPORT OIL & GAS COMPANY, L.P., IS CONSIDERED TO BE THE OPERATOR ON THE ATTACHED DESCRIBED LANDS AND IS RESPONSIBLE UNDER THE TERMS AND CONDITIONS OF THE LEASE FOR THE OPERATIONS CONDUCTED ON THE LEASED LANDS OR PORTIONS THEREOF, BOND COVERAGE FOR THIS WELL IS PROVIDED BY FEDERAL NATIONWIDE BOND NO. 158626364, EFFECTIVE FEBRUARY 1, 2002, AND BIA NATIONWIDE BOND NO. RLB0005239, EFFECTIVE FEBRUARY 10, 2003.

RECEIVED

MAR 04 2003

14. I hereby certify that the foregoing is true and correct

Name (Printed/Typed)

CHERYL CAMERON

Title

OPERATIONS

Date

March 4, 2003

DIV. OF OIL, GAS &amp; MINING

THIS SPACE FOR FEDERAL OR STATE USE

Approved by

Title

Date

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Office

Title 18 U.S.C. Section 1001, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on reverse)

## OPERATOR CHANGE WORKSHEET

## ROUTING

1. GLH

2. CDW ✓

3. FILE

X Change of Operator (Well Sold)

Designation of Agent/Operator

Operator Name Change

Merger

The operator of the well(s) listed below has changed, effective: 12-17-02

<b>FROM: (Old Operator):</b>	<b>TO: ( New Operator):</b>
EL PASO PRODUCTION OIL & GAS COMPANY	WESTPORT OIL & GAS COMPANY LP
Address: 9 GREENWAY PLAZA	Address: P O BOX 1148
HOUSTON, TX 77064-0995	VERNAL, UT 84078
Phone: 1-(832)-676-5933	Phone: 1-(435)-781-7023
Account No. N1845	Account No. N2115

CA No.

Unit:

NATURAL BUTTES

## WELL(S)

NAME	SEC TWN RNG	API NO	ENTITY NO	LEASE TYPE	WELL TYPE	WELL STATUS
NBU 41J	31-09S-22E	43-047-31224	2900	STATE	GW	P
CIGE 97D-31-9-22	31-09S-22E	43-047-31729	2900	STATE	GW	P
NBU 155	31-09S-22E	43-047-32004	2900	STATE	GW	P
CIGE 148-31-9-22	31-09S-22E	43-047-32024	2900	STATE	GW	P
NBU 280	31-09S-22E	43-047-32865	2900	STATE	GW	P
CIGE 220-31-9-22	31-09S-22E	43-047-32884	2900	STATE	GW	P
NBU 326	31-09S-22E	43-047-33204	2900	STATE	GW	P
<b>NBU 354</b>	31-09S-22E	43-047-33231	2900	FEDERAL	GW	P
NBU 160	31-09S-22E	43-047-32006	2900	STATE	GW	PA
CIGE 241-32-9-22	32-09S-22E	43-047-33208	2900	STATE	GW	P
NBU 404	32-09S-22E	43-047-34375	2900	STATE	GW	P
NBU 281	32-09S-22E	43-047-32866	2900	STATE	GW	P
NBU 282	32-09S-22E	43-047-32867	2900	STATE	GW	P
CIGE 190-32-9-22	32-09S-22E	43-047-32912	2900	STATE	GW	P
NBU 157	32-09S-22E	43-047-32007	2900	STATE	GW	P
CIGE 96D-32-9-22	32-09S-22E	43-047-31730	2900	STATE	GW	P
NBU 51J	32-09S-22E	43-047-31234	2900	STATE	GW	P
CIGE 106D-32-9-22	32-09S-22E	43-047-31746	2900	STATE	GW	P
NBU CIGE 36D-32-9-22	32-09S-22E	43-047-30833	2900	STATE	GW	P
NBU 54N	32-09S-22E	43-047-30890	2900	STATE	GW	P

## OPERATOR CHANGES DOCUMENTATION

Enter date after each listed item is completed

1. (R649-8-10) Sundry or legal documentation was received from the **FORMER** operator on: 02/28/2003
2. (R649-8-10) Sundry or legal documentation was received from the **NEW** operator on: 03/04/2003
3. The new company has been checked through the **Department of Commerce, Division of Corporations Database** on: 03/06/2003
4. Is the new operator registered in the State of Utah: YES Business Number: 1355743-0181
5. If **NO**, the operator was contacted contacted on: \_\_\_\_\_

6. (R649-9-2) Waste Management Plan has been received on: IN PLACE

7. **Federal and Indian Lease Wells:** The BLM and or the BIA has approved the merger, name change, or operator change for all wells listed on Federal or Indian leases on: BLM-12/31/2003 BIA-12/5/02

8. **Federal and Indian Units:**

The BLM or BIA has approved the successor of unit operator for wells listed on: 02/27/2003

9. **Federal and Indian Communization Agreements ("CA"):**

The BLM or BIA has approved the operator for all wells listed within a CA on: N/A

10. **Underground Injection Control ("UIC")** The Division has approved UIC Form 5, **Transfer of Authority to Inject**, for the enhanced/secondary recovery unit/project for the water disposal well(s) listed on: N/A

**DATA ENTRY:**

1. Changes entered in the Oil and Gas Database on: 03/18/2003
2. Changes have been entered on the Monthly Operator Change Spread Sheet on: 03/18/2003
3. Bond information entered in RBDMS on: N/A
4. Fee wells attached to bond in RBDMS on: N/A

**STATE WELL(S) BOND VERIFICATION:**

1. State well(s) covered by Bond Number: RLB 0005236

**FEDERAL WELL(S) BOND VERIFICATION:**

1. Federal well(s) covered by Bond Number: 158626364

**INDIAN WELL(S) BOND VERIFICATION:**

1. Indian well(s) covered by Bond Number: RLB 0005239

**FEE WELL(S) BOND VERIFICATION:**

1. (R649-3-1) The **NEW** operator of any fee well(s) listed covered by Bond Number RLB 0005238
2. The **FORMER** operator has requested a release of liability from their bond on: N/A  
The Division sent response by letter on: N/A

**LEASE INTEREST OWNER NOTIFICATION:**

3. (R649-2-10) The **FORMER** operator of the fee wells has been contacted and informed by a letter from the Division of their responsibility to notify all interest owners of this change on: N/A

**COMMENTS:**

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENTFORM APPROVED  
OMB No. 1004-0135  
Expires November 30, 2000

## SUNDRY NOTICES AND REPORTS ON WELLS

*Do not use this form for proposals to drill or reenter an abandoned well. Use Form 3160-3 (APD) for such proposals.*

**SUBMIT IN TRIPLICATE – Other instructions on reverse side**1. Type of Well  
☐ Oil Well ☒ Gas Well ☐ Other2. Name of Operator  
WESTPORT OIL & GAS COMPANY, L.P.3a. Address  
P.O. BOX 1148 VERNAL, UT 840783b. Phone No. (include area code)  
(435) 781-4. Location of Well (Footage, Sec., T., R., M., or Survey Description)  
Multiple Wells - see attached5. Lease Serial No.  
Multiple Wells - see attached

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.  
891008900A8. Well Name and No.  
Multiple Wells - see attached9. API Well No.  
Multiple Wells - see attached10. Field and Pool, or Exploratory Area  
Natural Buttes Unit11. County or Parish, State  
Uintah County, UT

## 12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operations (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.

Westport Oil & Gas requests a variance to Onshore Order No. 4, Part IIIC.a. requiring each sales tank be equipped with a pressure-vacuum thief hatch and/or vent line valve. The variance is requested as an economic analysis shows the value of the shrunk condensate will not payout the incremental cost of purchasing and maintaining the valve resulting in a loss of value over the producing life of the well.

The volume lost to shrinkage by dropping the tank pressure from 6 ozs. to 0 psig is shown to be 0.3% of the tank volume. This was determined by lab analysis of a representative sample from the field. The sample shrunk from 98.82% of original volume to 98.52% when the pressure was dropped.

The average NBU well produces approximately 6 bbls condensate per month. The resulting shrinkage would amount to 0.56 bbls per month lost volume due to shrinkage. The value of the shrunk and lost condensate does not recoup or payout the cost of installing and maintaining the valves and other devices that hold the positive tank pressure. An economic run based on the loss and costs is attached.

Westport Oil & gas requests approval of this variance in order to increase the value of the well to the operator and the mineral royalty owners.

14. I hereby certify that the foregoing is true and correct

Name (Printed/Typed)

J.T. Conley

Signature

COPY SENT TO OPERATOR

Date:

Initials:

Title

Date

Operations Manager

SEP 10 2003

DIV. OF OIL, GAS &amp; MINING

THIS SPACE FOR FEDERAL OR STATE USE

Approved by

Title

Date

Office

Date:

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Accepted by the  
Utah Division of  
Oil, Gas and MiningFederal Approval of This  
Action is Necessary

Title 18 U.S.C. Section 1001, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on reverse)

WELL	LEGALS	STFLEASENO	CANUMBER	APINO
NBU 332	10-10-21 NWSW	UTU01416A	891008900A	430473364000S1
NBU 333	13-10-21 SWSW	ML23608	891008900A	430473364100S1 ✓
NBU 335	4-10-22 SENE	UTU01191	891008900A	430473372400S1
NBU 336	4-10-22 NWE	U-01191	891008900A	430473402700S1
NBU 337	4-10-22 SENW	U-01191-A	891008900A	430473402000S1
NBU 338	5-10-22 NESE	UTU01191	891008900A	430473405800S1
NBU 339	5-10-22 NWSE	UTU01191	891008900A	430473440600S1
NBU 340	6-10-22 SWNE	UTU01195	891008900A	430473372500S1
NBU 340X	6-10-22 SWNE	UTU01195	891008900A	430473401500S1
NBU 341	6-10-22 SWNW	UTU464	891008900A	430473372600S1
NBU 342	7-10-22 NWSE	UTU468	891008900A	430473372700S1
NBU 343	8-10-22 NWNE	UTU01196C	891008900A	430473371900S1
NBU 344	8-10-22 SWNE	UTU01196C	891008900A	430473402100S1
NBU 345	10-10-22 SWNE	UTU02587	891008900A	430473370400S1 ✓
NBU 345-4E	4-10-21 SWSW	UTU01393B	891008900A	430473470000S1 ✓
NBU 347	11-10-22 NWSW	UTU01197A	891008900A	430473370900S1 ✓
NBU 348	11-10-22 SWSW	UTU01197A-ST	891008900A	430473400100S1
NBU 349	11-10-22 SWSE	UTU01197A-ST	891008900A	430473400200S1 ✓
NBU 350	14-10-22 NWNE	UTU01197A	891008900A	430473364200S1 ✓
NBU 351	30-10-22 SESE	UTU0132568A	891008900A	430473366800S1
NBU 352	9-9-21 SWNW	UTU0149767	891008900A	430473392200S1
NBU 353	27-9-21 SENW	U01194A	891008900A	430473320500S1 ✓
NBU 354	31-9-22 NENW	UTU464	891008900A	430473323100S1
NBU 356	30-9-22 NENW	U463	891008900A	430473323200S1
NBU 357	15-10-21 SWSW	UTU01791A	891008900A	430473372800S1
NBU 358	16-10-21 SESW	ML10755	891008900A	430473370800S1
NBU 359	29-10-21 NWNE	ML21330	891008900A	430473370600S1
NBU 360	29-10-22 SESW	UTU0145824	891008900A	430473377300S1
NBU 361	32-10-22 NWNW	ML22798	891008900A	430473370500S1 ✓
NBU 362	28-9-21 SESW	UTU0576	891008900A	430473377400S1
NBU 363	28-9-21 SESE	UTU0576	891008900A	430473377500S1
NBU 364	29-9-21 SESE	UTU0581	891008900A	430473377600S1
NBU 365	3-10-21 SESE	UTU0149078	891008900A	430473377700S1
NBU 366	10-10-21 NWNW	UTU0149079	891008900A	430473372900S1
NBU 367	11-10-22 NESW	UTU01197A-ST	891008900A	430473370700S1 ✓
NBU 370	17-9-21 NWSW	UTU0575	891008900A	430473467200S1 ✓
NBU 371	8-9-21 SWSE	UTU0575B	891008900A	430473467300S1 ✓
NBU 375	12-9-21 SWNE	UTU0141317	891008900A	430473444000S1 ✓
NBU 376	12-9-21 NENE	UTU0141317	891008900A	430473444100S1 ✓
NBU 377	31-9-21 NENW	UTU0582	891008900A	430473436300S1
NBU 378	31-9-21 NWNE	UTU0582	891008900A	430473436400S1
NBU 381	23-10-22 SESW	UTU01198B	891008900A	430473423400S1
NBU 382	22-10-22 SENW	U-01198-B	891008900A	430473423500S1
NBU 383	21-10-22 SESW	U-489	891008900A	430473423600S1
NBU 384	30-10-22 SENW	UTU0132568A	891008900A	430473423700S1 ✓
NBU 385	18-10-22 SENW	ML22973	891008900A	430473422800S1
NBU 386	17-10-22 NESE	UTU470	891008900A	430473423800S1
NBU 387	23-10-21 SWSE	U-02277-A	891008900A	430473423900S1
NBU 388	22-10-21 SENW	U-02278-A	891008900A	430473424000S1
NBU 389	28-10-21 NENE	ML21329	891008900A	430473422900S1
NBU 390	30-10-21 SESE	ML22793	891008900A	430473423000S1
NBU 391	17-9-21 NWNW	UTU0575	891008900A	430473487400S1
NBU 393	22-9-20 SWNW	U0577B	891008900A	43047348640S1
NBU 394	11-10-22 SWSE	UTU01197A-ST	891008900A	430473480400S1 ✓
NBU 395	27-9-21 SWSW	UTU01194A-ST	891008900A	430473437400S1 ✓
NBU 396	33-9-21 NENW	UTU0576	891008900A	430473448000S1 ✓
NBU 397	26-10-20 NESW	UTU4476	891008900A	430473436500S1
NBU 398	18-10-21 NENW	UTU02270A	891008900A	430473436600S1
NBU 399	14-10-21 NWNW	UTU465	891008900A	430473440900S1
NBU 400	16-10-21 NENW	ML10755	891008900A	430473479400S1
NBU 401	23-10-21 NENE	UTU02278A	891008900A	430473480100S1
NBU 404	32-9-22 SWSE	ML22649	891008900A	430473437500S1 ✓
NBU 405	27-9-21 NENE	UTU01194A-ST	891008900A	430473440700S1 ✓
NBU 407	32-10-22 NENW	ML22798	891008900A	430473431800S1 ✓
NBU 408	31-10-22 NENE	UTU0143551	891008900A	430473459000S1 ✓
NBU 409	32-9-21 NWSW	ML48758	891008900A	430473442100S1 ✓
NBU 410	32-9-21 SWSW	ML48758	891008900A	430473487200S1
NBU 411	32-9-21 SESE	ML48758	891008900A	430473442200S1 ✓
NBU 412	32-10-22 SENW	ML22798	891008900A	430473431900S1 ✓
NBU 413	32-10-22 SWNW	ML22798	891008900A	430473432000S1 ✓
NBU 414	31-10-22 SENE	UTU0143551	891008900A	430473438700S1
NBU 414-20E	20-9-21 NWNE	U0143551/U0575	891008900A	430473477900S1
NBU 415-20E	20-9-21 SWNE	UTU0575	891008900A	430473448900S1 ✓
NBU 416	36-9-20 SESE	ML48757	891008900A	430473442300S1 ✓
NBU 418	12-9-21 NWNW	UTU0141317	891008900A	430473477700S1

# Westport Oil & Gas, L.P.

## Project Economics Worksheet

Instructions: Fill in blue boxes with before and after project data. The evaluation results are shown below and graphed automatically at the bottom of the page. This sheet is protected to prevent accidental alteration of the formulas. See JTC for changes. OPX entered as annual costs and/or as unit OPX costs for \$/BF and \$/MCF

Project Name: **Condensate Shrinkage Economics**

Is this job a well pull or production rig job ??? **N** (Y or N)

	BEFORE \$/Year	AFTER \$/Year	DIFFERENCE \$/Year
Gross Oil Revenue	\$1,088	\$1,099	\$11
Gross Gas Revenue	\$0	\$0	\$0
NGL Revenue	\$0	\$0	\$0
PULING UNIT SERVICE			\$0
WIRELINE SERVICE			\$0
SUBSURF EQUIP REPAIRS			\$0
COMPANY LABOR			\$0
CONTRACT LABOR	\$0	\$200	\$200
CONTR SERVICE			\$0
LEASE FUEL GAS	\$0	\$0	\$0
UTILITIES - ELECTRICITY	\$0	\$0	\$0
CHEMICAL TREATING			\$0
MATERIAL & SUPPLY	\$0	\$150	\$150
WATER & HAULING			\$0
ADMINISTRATIVE COSTS			\$0
GAS PLANT PROCESSING			\$0
<b>Totals</b>	<b>\$0</b>	<b>\$350</b>	<b>\$350</b>

Increased OPX Per Year

### Investment Breakdown:

	Cap/Exp Code	Cost, \$
Capital \$	820/830/840	\$1,200
Expense \$	830/860	\$0
Total \$		\$1,200

Oil Price	\$ 23.00	\$/BO
Gas Price	\$ 3.10	\$/MCF
Electric Cost	\$ -	\$/ HP / day
OPX/BF	\$ 2.00	\$/BF
OPX/MCF	\$ 0.62	\$/MCF

### Production & OPX Detail:

	Before		After		Difference
Oil Production	0.192	BOPD	0.194	BOPD	0.002
Gas Production	0	MCFPD	0	MCFPD	0
Wtr Production	0	BWPD	0	BWPD	0
Horse Power		HP		HP	0
Fuel Gas Burned		MCFPD		MCFPD	0

### Project Life:

Life = **20.0** Years  
(Life no longer than 20 years)

### Internal Rate of Return:

After Tax IROR = **#DIV/0!**

### AT Cum Cashflow:

Operating Cashflow = **(\$2,917)** (Discounted @ 10%)

### Gross Reserves:

Oil Reserves = **6 BO**  
Gas Reserves = **0 MCF**  
Gas Equiv Reserves = **38 MCFE**

### Payout Calculation:

Payout =  $\frac{\text{Total Investment}}{\text{Sum(OPX + Incremental Revenue)}} = 1$

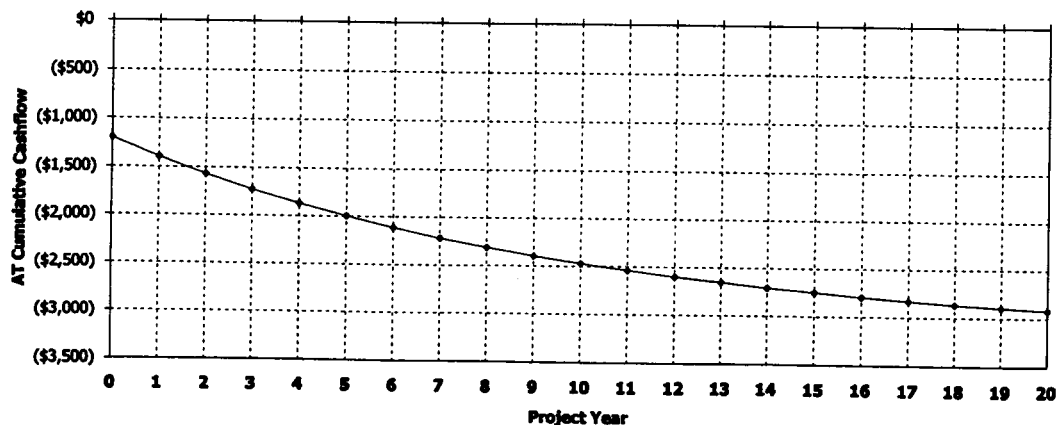
Payout occurs when total AT cashflow equals investment  
See graph below, note years when cashflow reaches zero

Payout = **NEVER** Years or **#VALUE!** Days

### Notes/Assumptions:

An average NBU well produces 0.192 Bcpd with no tank pressure. The production is increased to 0.194 Bcpd if 6 ozs of pressure are placed on the tank. The increased production does not payout the valve cost or the estimated annual maintenance costs.

Project: Condensate Shrinkage Economics



**Westport Oil and Gas, Inc.**  
**NBU/Ouray Field**  
RFL 2003-022

**COMPARISON OF FLASH BACK PRESSURES**

Calculated by Characterized Equation-of-State

Flash Conditions		Gas/Oil Ratio ( scf/STbbl )	Specific Gravity of Flashed Gas ( Air=1.000 )	Separator Volume Factor (B)	Separator Volume Percent (C)
psig	°F	(A)			

**Calculated at Laboratory Flash Conditions**

80	70			1.019	
0	122	30.4	0.993	1.033	101.37%
0	60	0.0	—	1.000	98.14%

**Calculated Flash with Backpressure using Tuned EOS**

80	70			1.015	
6.0 oz	65	24.6	0.777	1.003	98.82%
0	60	0.0	—	1.000	98.52%
80	70			1.015	
4.0 oz	65	24.7	0.778	1.003	98.82%
0	60	0.0	—	1.000	98.52%
80	70			1.015	
2.0 oz	65	24.7	0.779	1.003	98.82%
0	60	0.0	—	1.000	98.52%
80	70			1.015	
0	65	24.8	0.780	1.003	98.82%
0	60	0.0	—	1.000	98.52%

(A) Cubic Feet of gas at 14.696 psia and 60 °F per Barrel of Stock Tank Oil at 60 °F.

(B) Barrels of oil at indicated pressure and temperature per Barrel of Stock Tank Oil at 60 °F.

(C) Oil volume at indicated pressure and temperature as a percentage of original saturated oil volume.

Note: Bubblepoint of sample in original sample container was 80 psig at 70° F with 1 cc water



Division of Oil, Gas and Mining  
**OPERATOR CHANGE WORKSHEET**

**ROUTING**

1. DJJ

2. CDW

**X Change of Operator (Well Sold)**

Operator Name Change/Merger

The operator of the well(s) listed below has changed, effective:

**1/6/2006**

**FROM: (Old Operator):**

N2115-Westport Oil & Gas Co., LP  
 1368 South 1200 East  
 Vernal, UT 84078  
 Phone: 1-(435) 781-7024

**TO: ( New Operator):**

N2995-Kerr-McGee Oil & Gas Onshore, LP  
 1368 South 1200 East  
 Vernal, UT 84078  
 Phone: 1-(435) 781-7024

CA No.		Unit:		NATURAL BUTTES UNIT				
WELL NAME	SEC	TWN	RNG	API NO	ENTITY NO	LEASE TYPE	WELL TYPE	WELL STATUS

**OPERATOR CHANGES DOCUMENTATION**

Enter date after each listed item is completed

- (R649-8-10) Sundry or legal documentation was received from the **FORMER** operator on: 5/10/2006
- (R649-8-10) Sundry or legal documentation was received from the **NEW** operator on: 5/10/2006
- The new company was checked on the **Department of Commerce, Division of Corporations Database** on: 3/7/2006
- a. Is the new operator registered in the State of Utah: YES Business Number: 1355743-0181
- b. If **NO**, the operator was contacted on: \_\_\_\_\_
- 5a. (R649-9-2)Waste Management Plan has been received on: IN PLACE
- 5b. Inspections of LA PA state/fee well sites complete on: n/a 3 LA wells & all PA wells transferred
- 5c. Reports current for Production/Disposition & Sundries on: ok
- 6. Federal and Indian Lease Wells:** The BLM and or the BIA has approved the merger, name change, or operator change for all wells listed on Federal or Indian leases on: BLM 3/27/2006 BIA not yet
- 7. Federal and Indian Units:**  
The BLM or BIA has approved the successor of unit operator for wells listed on: 3/27/2006
- 8. Federal and Indian Communization Agreements ("CA"):**  
The BLM or BIA has approved the operator for all wells listed within a CA on: n/a
- 9. Underground Injection Control ("UIC")** The Division has approved UIC Form 5, Transfer of Authority to Inject, for the enhanced/secondary recovery unit/project for the water disposal well(s) listed on: \_\_\_\_\_

**DATA ENTRY:**

- Changes entered in the **Oil and Gas Database** on: 5/15/2006
- Changes have been entered on the **Monthly Operator Change Spread Sheet** on: 5/15/2006
- Bond information entered in RBDMS on: 5/15/2006
- Fee/State wells attached to bond in RBDMS on: 5/16/2006
- Injection Projects to new operator in RBDMS on: \_\_\_\_\_
- Receipt of Acceptance of Drilling Procedures for APD/New on: n/a Name Change Only

**BOND VERIFICATION:**

- Federal well(s) covered by Bond Number: CO1203
- Indian well(s) covered by Bond Number: RLB0005239
- (R649-3-1) The **NEW** operator of any fee well(s) listed covered by Bond Number RLB0005236
- a. The **FORMER** operator has requested a release of liability from their bond on: n/a rider added KMG  
The Division sent response by letter on: \_\_\_\_\_

**LEASE INTEREST OWNER NOTIFICATION:**

- (R649-2-10) The **FORMER** operator of the fee wells has been contacted and informed by a letter from the Division of their responsibility to notify all interest owners of this change on: 5/16/2006

**COMMENTS:**

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

FORM APPROVED  
OMB No. 1004-0135  
Expires November 30, 2000

**SUNDRY NOTICES AND REPORTS ON WELLS**

**Do not use this form for proposals to drill or reenter an abandoned well. Use Form 3160-3 (APD) for such proposals.**

**SUBMIT IN TRIPLICATE - Other instructions on reverse side**

1. Type of Well

☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator

**KERR-McGEE OIL & GAS ONSHORE LP**

3a. Address

**1368 SOUTH 1200 EAST VERNAL, UT 84078**

3b. Phone No. (include area code)

**(435) 781-7024**

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

**SEE ATTACHED**

5. Lease Serial No.

**MULTIPLE LEASES**

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.

8. Well Name and No.

**MUTIPLE WELLS**

9. API Well No.

10. Field and Pool, or Exploratory Area

11. County or Parish, State

**UINTAH COUNTY, UTAH**

**12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA**

**TYPE OF SUBMISSION**

**TYPE OF ACTION**

☐ Notice of Intent

☒ Subsequent Report

☐ Final Abandonment Notice

☐ Acidize

☐ Alter Casing

☐ Casing Repair

☐ Change Plans

☐ Convert to Injection

☐ Deepen

☐ Fracture Treat

☐ New Construction

☐ Plug and Abandon

☐ Plug Back

☐ Production (Start/Resume)

☐ Reclamation

☐ Recomplete

☐ Temporarily Abandon

☐ Water Disposal

☐ Water Shut-Off

☐ Well Integrity

☒ Other **CHANGE OF OPERATOR**

13. Describe Proposed or Completed Operations (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.

PLEASE BE ADVISED THAT KERR-McGEE OIL & GAS ONSHORE LP, IS CONSIDERED TO BE THE OPERATOR OF THE ATTACHED WELL LOCATIONS. EFFECTIVE JANUARY 6, 2006.

KERR-McGEE OIL & GAS ONSHORE LP, IS RESPONSIBLE UNDER TERMS AND CONDITIONS OF THE LEASE(S) FOR THE OPERATIONS CONDUCTED UPON LEASE LANDS. BOND COVERAGE IS PROVIDED BY STATE OF UTAH NATIONWIDE BOND NO. RLB0005237.

**RECEIVED**

**MAY 10 2006**

DIV. OF OIL, GAS & MINING

**BLM BOND = C01203**

**BIA BOND = RLB0005237**

**APPROVED 5/16/06**

**Earlene Russell**  
Division of Oil, Gas and Mining  
**Earlene Russell, Engineering Technician**

14. I hereby certify that the foregoing is true and correct

Name (Printed/Typed)

**RANDY BAYNE**

Title

**DRILLING MANAGER**

Signature

Date

**May 9, 2006**

**THIS SPACE FOR FEDERAL OR STATE USE**

Approved by

Title

Date

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Office

Title 18 U.S.C. Section 1001, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on reverse)

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or reenter an abandoned well. Use Form 3160-3 (APD) for such proposals.

FORM APPROVED  
OMB No. 1004-0135  
Expires November 30, 2000

5. Lease Serial No.

MULTIPLE LEASES

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.

8. Well Name and No.

MUTIPLE WELLS

9. API Well No.

10. Field and Pool, or Exploratory Area

11. County or Parish, State

UINTAH COUNTY, UTAH

SUBMIT IN TRIPLICATE - Other instructions on reverse side

1. Type of Well

☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator

WESTPORT OIL & GAS COMPANY L.P.

3a. Address

1368 SOUTH 1200 EAST VERNAL, UT 84078

3b. Phone No. (include area code)

(435) 781-7024

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

SEE ATTACHED

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other CHANGE OF OPERATOR
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operations (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.

EFFECTIVE JANUARY 6, 2006, WESTPORT OIL & GAS COMPANY L.P., HAS RELINQUISHED THE OPERATORSHIP OF THE ATTACHED WELL LOCATIONS TO KERR-McGEE OIL & GAS ONSHORE LP.

APPROVED 5/16/06

Earlene Russell  
Division of Oil, Gas and Mining  
Earlene Russell, Engineering Technician

RECEIVED

MAY 10 2006

DIV OF OIL, GAS & MINING

14. I hereby certify that the foregoing is true and correct

Name (Printed/Typed)

BRAD LANEY

Signature

Title

ENGINEERING SPECIALIST

Date

May 9, 2006

THIS SPACE FOR FEDERAL OR STATE USE

Approved by

Brad Laney

Title

Office

Date

5-9-06

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Title 18 U.S.C. Section 1001, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on reverse)



## United States Department of the Interior

BUREAU OF LAND MANAGEMENT  
Colorado State Office  
2850 Youngfield Street  
Lakewood, Colorado 80215-7076

IN REPLY REFER TO:

CO922 (MM)  
3106  
COC017387 et. al.

March 23, 2006

### NOTICE

Kerr-McGee Oil & Gas Onshore L.P. :  
1999 Broadway, Suite 3700 : Oil & Gas  
Denver, CO 80202 :

#### Merger/Name Change - Recognized

On February 28, 2006 this office received acceptable evidence of the following mergers and name conversion:

Kerr-McGee Oil & Gas Onshore L.P., a Delaware Limited Partnership, and Kerr-McGee Oil & Gas Onshore LLC, a Delaware Limited Partnership merger with and into Westport Oil and Gas Company L.P., a Delaware Limited Partnership, and subsequent Westport Oil & Gas Company L.P. name conversion to Kerr-McGee Oil & Gas Onshore L.P.

For our purposes the merger and name conversion was effective January 4, 2006, the date the Secretary of State of Delaware authenticated the mergers and name conversion.

Kerr-McGee Oil & Gas Onshore L.P. provided a list of oil and gas leases held by the merging parties with the request that the Bureau of Land Management change all their lease records from the named entities to the new entity, Kerr-McGee Oil & Gas Onshore L.P. In response to this request each state is asked to retrieve their own list of leases in the names of these entities from the Bureau of Land Management's (BLM) automated LR2000 data base.

The oil and gas lease files identified on the list provided by Kerr-McGee Oil & Gas Onshore L.P. have been updated as to the merger and name conversion. We have not abstracted the lease files to determine if the entities affected by the acceptance of these documents holds an interest in the lease, nor have we attempt to identify leases where the entity is the operator on the ground that maintains vested record title or operating rights interests. If additional documentation, for change of operator, is required you will be contacted directly by the appropriate Field Office. The Mineral Management Services (MMS) and other applicable BLM offices were notified of the merger with a copy of this notice

Please contact this office if you identify additional leases where the merging party maintains an interest, under our jurisdiction, and we will document the case files with a copy of this notice. If the leases are under the jurisdiction of another State Office that information will be forwarded to them for their action.

Three riders accompanied the merger/name conversion documents which will add Kerr-McGee Oil and Gas Onshore LLC as a principal to the 3 Kerr-McGee bonds maintained by the Wyoming State Office. These riders will be forward to them for their acceptance.

The Nationwide Oil & Gas Continental Casualty Company Bond #158626364 (BLM Bond #CO1203), maintained by the Colorado State Office, will remain in full force and effect until an assumption rider is accepted by the Wyoming State Office that conditions their Nationwide Safeco bond to accept all outstanding liability on the oil and gas leases attached to the Colorado bond.

If you have questions about this action you may call me at 303.239.3768.

/s/Martha L. Maxwell  
Martha L. Maxwell  
Land Law Examiner  
Fluid Minerals Adjudication

**Attachment:**

List of OG Leases to each of the following offices:

MMS MRM, MS 357B-1

WY, UT, NM/OK/TX, MT/ND, WY State Offices

CO Field Offices

Wyoming State Office

Rider #1 to Bond WY2357

Rider #2 to Bond WY1865

Rider #3 to Bond WY1127



# United States Department of the Interior

## BUREAU OF LAND MANAGEMENT

Utah State Office  
P.O. Box 45155  
Salt Lake City, UT 84145-0155  
<http://www.blm.gov>



IN REPLY REFER TO:  
3106  
(UT-922)

March 27, 2006

### Memorandum

To: Vernal Field Office

From: Chief, Branch of Fluid Minerals

Subject: Merger Approval

Attached is an approved copy of the merger recognized by the Bureau of Land Management, Colorado State Office. We have updated our records to reflect the merger from Westport Oil and Gas Company L.P. into Kerr-McGee Onshore Oil and Gas Company. The merger was approved effective January 4, 2006.

Chief, Branch of  
Fluid Minerals

### Enclosure

Approval letter from BLM COSO (2 pp)

cc: MMS, Reference Data Branch, James Sykes, PO Box 25165, Denver CO 80225  
State of Utah, DOGM, Attn: Earlene Russell, PO Box 145801, SLC UT 84114  
Teresa Thompson  
Joe Incardine  
Connie Seare  
Dave Mascarenas  
Susan Bauman

RECEIVED

MAR 28 2006

UT. OF OIL, GAS & MIN. (BLM)

<b>STATE OF UTAH</b> DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING		<b>FORM 9</b>
<b>SUNDRY NOTICES AND REPORTS ON WELLS</b>  Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.		<b>5. LEASE DESIGNATION AND SERIAL NUMBER:</b> U-464
<b>1. TYPE OF WELL</b> Gas Well		<b>6. IF INDIAN, ALLOTTEE OR TRIBE NAME:</b>
<b>2. NAME OF OPERATOR:</b> KERR-MCGEE OIL & GAS ONSHORE, L.P.		<b>7. UNIT or CA AGREEMENT NAME:</b> NATURAL BUTTES
<b>3. ADDRESS OF OPERATOR:</b> P.O. Box 173779 1099 18th Street, Suite 600, Denver, CO, 80217 3779		<b>8. WELL NAME and NUMBER:</b> NBU 354
<b>4. LOCATION OF WELL</b> <b>FOOTAGES AT SURFACE:</b> 0374 FNL 1611 FWL <b>QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:</b> Qtr/Qtr: NENW Section: 31 Township: 09.0S Range: 22.0E Meridian: S		<b>9. API NUMBER:</b> 43047332310000
<b>PHONE NUMBER:</b> 720 929-6007 Ext		<b>9. FIELD and POOL or WILDCAT:</b> NATURAL BUTTES
<b>COUNTY:</b> UINTAH		<b>STATE:</b> UTAH
<b>11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA</b>		
<b>TYPE OF SUBMISSION</b>	<b>TYPE OF ACTION</b>	
<input checked="" type="checkbox"/> <b>NOTICE OF INTENT</b> Approximate date work will start: 7/21/2009  <input type="checkbox"/> <b>SUBSEQUENT REPORT</b> Date of Work Completion:  <input type="checkbox"/> <b>SPUD REPORT</b> Date of Spud:  <input type="checkbox"/> <b>DRILLING REPORT</b> Report Date:	<div style="display: flex; flex-wrap: wrap;"> <div style="width: 33%;"> <input type="checkbox"/> ACIDIZE  <input type="checkbox"/> CHANGE TO PREVIOUS PLANS  <input type="checkbox"/> CHANGE WELL STATUS  <input type="checkbox"/> DEEPEN  <input type="checkbox"/> OPERATOR CHANGE  <input type="checkbox"/> PRODUCTION START OR RESUME  <input type="checkbox"/> REPERFORATE CURRENT FORMATION  <input type="checkbox"/> TUBING REPAIR  <input type="checkbox"/> WATER SHUTOFF  <input type="checkbox"/> WILDCAT WELL DETERMINATION         </div> <div style="width: 33%;"> <input type="checkbox"/> ALTER CASING  <input type="checkbox"/> CHANGE TUBING  <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS  <input type="checkbox"/> FRACTURE TREAT  <input checked="" type="checkbox"/> PLUG AND ABANDON  <input type="checkbox"/> RECLAMATION OF WELL SITE  <input type="checkbox"/> SIDETRACK TO REPAIR WELL  <input type="checkbox"/> VENT OR FLARE  <input type="checkbox"/> SI TA STATUS EXTENSION  <input type="checkbox"/> OTHER         </div> <div style="width: 33%;"> <input type="checkbox"/> CASING REPAIR  <input type="checkbox"/> CHANGE WELL NAME  <input type="checkbox"/> CONVERT WELL TYPE  <input type="checkbox"/> NEW CONSTRUCTION  <input type="checkbox"/> PLUG BACK  <input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION  <input type="checkbox"/> TEMPORARY ABANDON  <input type="checkbox"/> WATER DISPOSAL  <input type="checkbox"/> APD EXTENSION            OTHER: _____         </div> </div>	
<b>12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.</b> THE OPERATOR REQUESTS AUTHORIZATION TO PLUG AND ABANDON THE SUBJECT WELL LOCATION. THE OPERATOR PROPOSES TO PLUG AND ABANDON THE WELL TO DRILL THE NBU 922-31CT A TWIN WELL LOCATION. PLEASE REFER TO THE ATTACHED PLUG AND ABANDON PROCEDURE.		
<b>Accepted by the Utah Division of Oil, Gas and Mining</b>		<b>Date:</b> <u>July 14, 2009</u> <b>By:</b> <u>[Signature]</u>
<b>NAME (PLEASE PRINT)</b> Sheila Wopsock		<b>PHONE NUMBER</b> 435 781-7024
<b>SIGNATURE</b> N/A		<b>TITLE</b> Regulatory Analyst
<b>DATE</b> 7/9/2009		

**RECEIVED** July 09, 2009

NBU 354  
374' FNL & 1611' FWL  
NWNW SEC.31, T9S, R22E  
Uintah County, UT

KBE:	4905'	API NUMBER:	43-047-33231
GLE:	4890'	LEASE NUMBER:	U-464
TD:	7775'	WI:	100.0000%
PBTD:	7100'	NRI:	83.202949%

CASING: 12 1/4" hole  
8 5/8" 24# K-55 @ 283' (GL)  
Cemented w/ 150 sx, Prem (yield 1.15), 3 BC to pit. TOC @ Surface.

7.875" hole  
4 1/2" 11.6# K-55 @ 7751'.  
1<sup>st</sup> Stage Cement: 440 sx HiLift and 1405 sx 50/50 POZ.  
2<sup>nd</sup> Stage Cement: 480 sx Class G, 34 BC returns. TOC @ 1260' per CBL.  
DV Tool @ 954', tight spots in csg 908' - 954'  
CIBP @ 7100'

TUBING: 2 3/8" 4.7# J-55 tubing landed at 6371'.

Tubular/Borehole	Drift inches	Collapse psi	Burst Psi	Capacities		
				Gal./ft.	Cuft/ft.	Bbl./ft.
2.375" 4.7# J-55 tbg.	1.901	8100	7700	0.1624	0.02173	0.00387
4.5" 11.6# N-80	7.972	1780	2950	2.6749	0.3575	0.0636
8.625" 24# K-55	7.972	1370	2950	2.6749	0.3575	0.0636
Annular Capacities						
2.375" tbg. X 4 1/2" 11.6# csg				0.4227	0.0565	0.01006
4.5" csg X 8 5/8" 24# csg				1.8487	0.2471	0.04401
4.5" csg X 7.875 borehole				1.7052	0.2278	0.0406
8.625" csg X 12 1/4" borehole				3.0870	0.4127	0.0735

#### GEOLOGIC INFORMATION:

Formation	Depth to top, ft.
Uinta	Surface
Green River	1223'
Bird's Nest	1563'
Mahogany	1948'
Base of Parachute	2923'
Wasatch	4510'
Mesa Verde	

#### Tech. Pub. #92 Base of USDW's

USDW Elevation	1900' MSL
USDW Depth	3005' KBE

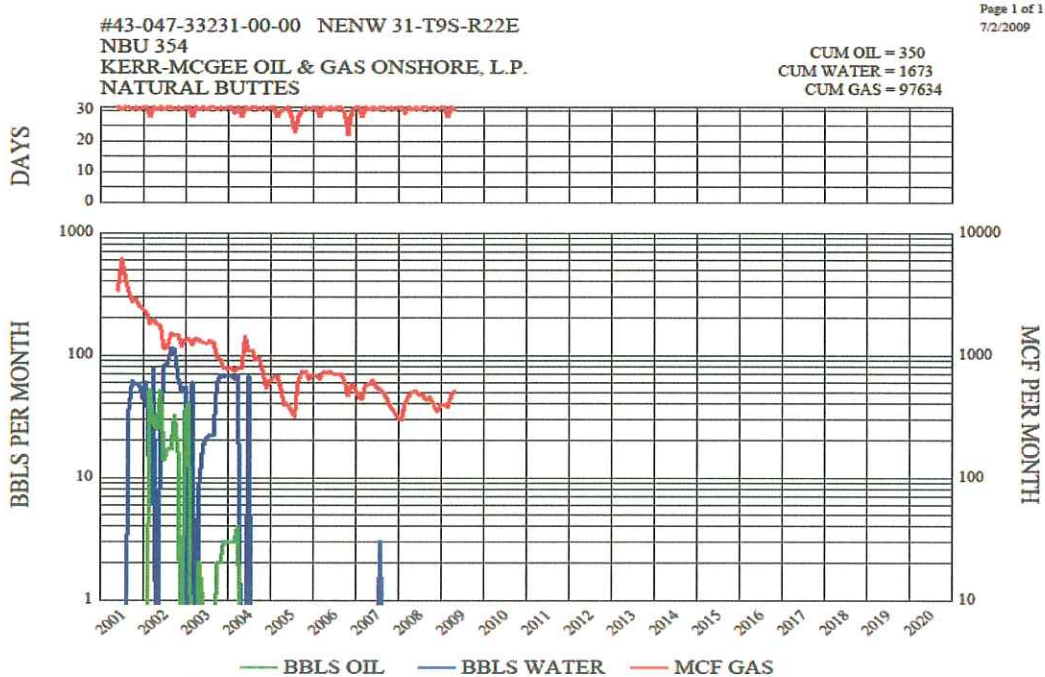


# PERFORATIONS:

Formation	Date	Top		SPF	Status
Wasatch	May-01	5362	5366	4	Open
Wasatch	May-01	5528	5536	4	Open
Wasatch	May-01	5904	5908	4	Open
Wasatch	May-01	6039	6045	4	Open
Wasatch	May-01	6114	6416	4	Open
Wasatch	May-01	6197	6201	4	Open
Wasatch	May-01	6408	6412	4	Open
Wasatch	Apr-01	7150	7160	4	Excluded
Mesaverde	Apr-01	7506	7516	4	Excluded

## WELL HISTORY:

- Spud on 3/12/01
- TD'd on 8/9/97
- 4/19/01 – Perf and frac MV (7506' – 7516')
- 4/20/01 – Sqz casing hole 916' – 980', pressure tested and held
- 4/21/01 – Perf and frac Was (7150' – 7160'), 446 bbls gel & 360,000# sand, flowed well back. Swabbed on well for 10 days.
- 5/5/01 – Put well on production (no prod info)
- 5/10/01 – Set CIBP @ 7100', exluding MV & Lower Was Perfs. Perf Upper Was (5362' – 6412')
- 5/16/01 – Frac discreet perf intervals w/ CTU. Turn over to flow testers.



NBU 354 PLUG & ABANDONMENT PROCEDURE

RECEIVED July 09, 2009

## GENERAL

- H<sub>2</sub>S MAY BE PRESENT. CHECK FOR H<sub>2</sub>S AND TAKE APPROPRIATE PRECAUTIONS.
- CEMENT QUANTITIES BELOW ASSUME NEAT CLASS G, YIELD 1.145 CUFT./SX. IF A DIFFERENT PRODUCT IS USED, WELLSITE PERSONNEL ARE RESPONSIBLE FOR CORRECTING QUANTITIES TO YIELD THE STATED SLURRY VOLUME. WHEN SQUEEZING, INCLUDE 10% EXCESS PER 1000' OF DEPTH.
- BRINE WITH A MINIMUM DENSITY OF AT LEAST 9 PPG MUST BE PLACED BETWEEN ALL PLUGS. 10 PPG IS ASSUMED IN THIS PROCEDURE.
- ALL DISPLACEMENT FLUID SHALL CONTAIN CORROSION INHIBITOR AND BIOCIDES. PREMIX 5 GALLONS PER 100 BBLS FLUID.
- NOTIFY BLM 24 HOURS BEFORE MOVING ON LOCATION.

## PROCEDURE

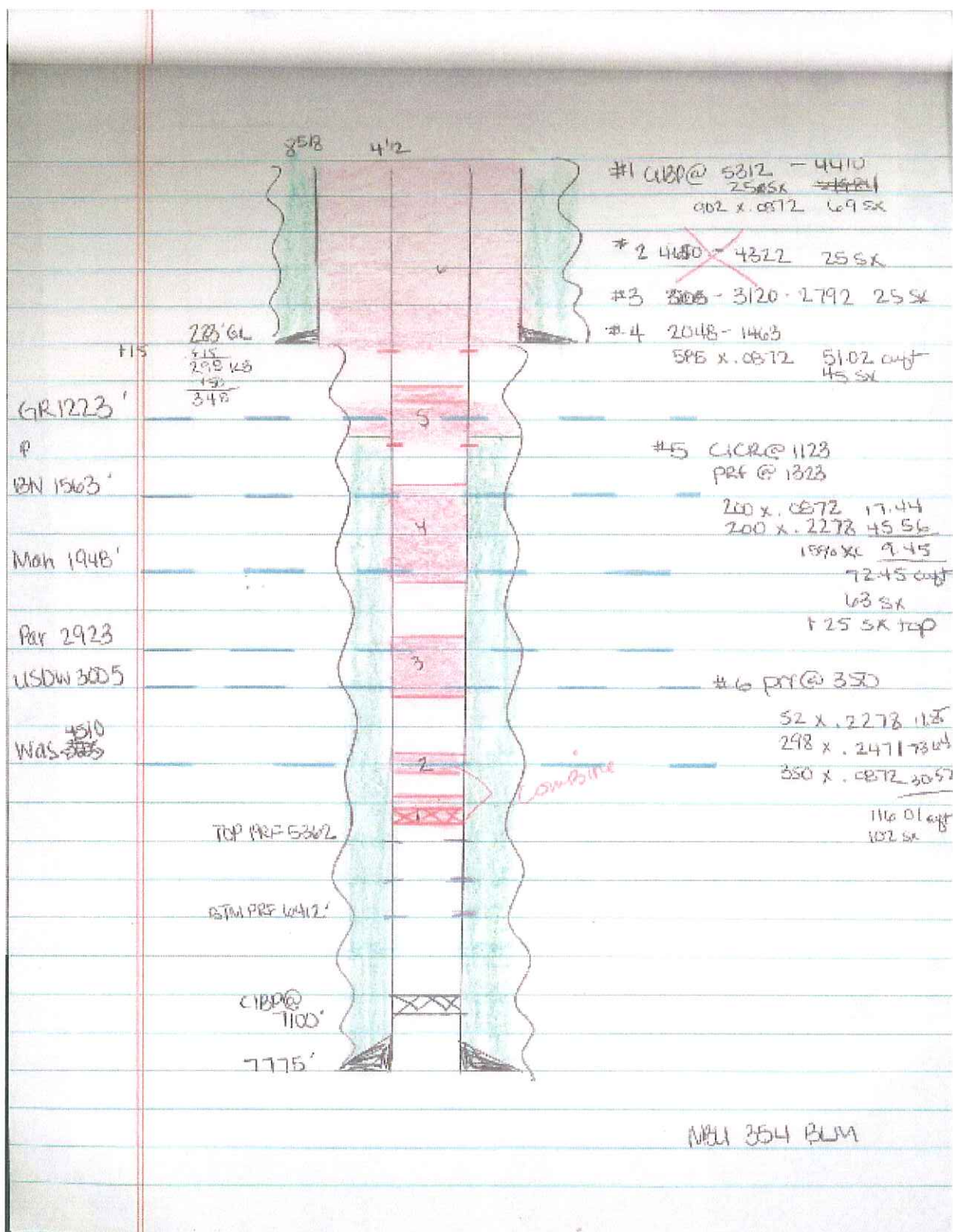
Note: An estimated 329 sx Class "G" cement needed for procedure

Note: Gyro ran to 5200'

1. MIRU. KILL WELL AS NEEDED. ND WH, NU AND TEST BOPE.
2. PULL TBG & LD SAME. RU WIRELINE AND MAKE A GAUGE RING RUN TO CHECK FOR FILL.
3. PLUG #1, ISOLATE WASATCH PERFORATIONS (5362' - 6412') & PROTECT TOP OF WASATCH (4510'): RIH W/ 4 1/2" CIBP. SET @ ~5312'. RELEASE CIBP, BRK CIRC W/ FRESH WATER. DISPLACE 69 SX (78.66 CUFT.) ON TOP OF PLUG. PUH ABOVE TOC (~4410'). REVERSE CIRCULATE W/ 10 PPG BRINE.
4. PLUG #2, PROTECT BASE OF USDW (~3005') & BASE OF PARACHUTE MEMBER (2923'): PUH TO ~3120'. BRK CIRC W/ FRESH WATER. DISPLACE 25 SX (28.63 CUFT.) AND BALANCE PLUG W/ TOC @ ~2792' (328' COVERAGE). PUH ABOVE TOC. REVERSE CIRCULATE W/ 10 PPG BRINE.
5. PLUG #3, PROTECT TOP OF MAHOGANY (1948') & TOP OF BIRD'S NEST (~1563'): PUH TO ~2048'. BRK CIRC W/ FRESH WATER. DISPLACE 45 SX (51.02 CUFT.) AND BALANCE PLUG W/ TOC @ ~1463' (585' COVERAGE). PUH ABOVE TOC. REVERSE CIRCULATE W/ 10 PPG BRINE.
6. PLUG #4, PROTECT TOP OF GREEN RIVER (1223'): POOH W/ TBG. RIH W/ WIRELINE, PERFORATE @ ~1323' W/ 4 SPF. PU & RIH W/ 4 1/2" CIRC, SET @ ~1123'. RIH W/ TBG & STING INTO CIRC & SQUEEZE PERFS W/ A MINIMUM OF 63 SX (72.45 CUFT.), OR SUFFICIENT VOLUME TO FILL 4 1/2" CSG AND ANNULUS TO 1123'. STING OUT OF CIRC AND SPOT 25 SX (28.63 CUFT.) CMT ON TOP OF CIRC. BRK CIRC W/ FRESH WATER. POOH ABOVE TOC (~795'). REVERSE CIRCULATE W/ 10 PPG BRINE.
7. PLUG #6, SURFACE SHOE (298' KB) & SURFACE HOLE: POOH W/ TBG. RIH W/ WIRELINE, PERFORATE @ 350' W/ 4 SPF. POOH W/ WIRELINE. RU CEMENT SERVICE TO PROD CSG. PUMP 102 SX CMT (116.01 CUFT.) OR SUFFICIENT VOLUME TO FILL 4 1/2" CSG & ANNULUS TO SURFACE.
8. CUT OFF WELLHEAD AND INSTALL MARKER PER BLM GUIDELINES.
9. RDMO. TURN OVER TO OPERATIONS FOR SURFACE REHAB.

ALM 7/2/09





<b>STATE OF UTAH</b> DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING		<b>FORM 9</b>
<b>SUNDRY NOTICES AND REPORTS ON WELLS</b>  Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.		<b>5. LEASE DESIGNATION AND SERIAL NUMBER:</b> U-464
<b>1. TYPE OF WELL</b> Gas Well		<b>6. IF INDIAN, ALLOTTEE OR TRIBE NAME:</b>
<b>2. NAME OF OPERATOR:</b> KERR-MCGEE OIL & GAS ONSHORE, L.P.		<b>7. UNIT or CA AGREEMENT NAME:</b> NATURAL BUTTES
<b>3. ADDRESS OF OPERATOR:</b> P.O. Box 173779 1099 18th Street, Suite 600, Denver, CO, 80217 3779		<b>8. WELL NAME and NUMBER:</b> NBU 354
<b>4. LOCATION OF WELL</b> <b>FOOTAGES AT SURFACE:</b> 0374 FNL 1611 FWL <b>QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:</b> Qtr/Qtr: NENW Section: 31 Township: 09.0S Range: 22.0E Meridian: S		<b>9. API NUMBER:</b> 43047332310000
<b>PHONE NUMBER:</b> 720 929-6007 Ext		<b>9. FIELD and POOL or WILDCAT:</b> NATURAL BUTTES
<b>COUNTY:</b> UINTAH		<b>STATE:</b> UTAH
<b>11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA</b>		
<b>TYPE OF SUBMISSION</b>	<b>TYPE OF ACTION</b>	
<input type="checkbox"/> <b>NOTICE OF INTENT</b> Approximate date work will start:	<input type="checkbox"/> ACIDIZE <input type="checkbox"/> CHANGE TO PREVIOUS PLANS <input type="checkbox"/> CHANGE WELL STATUS <input type="checkbox"/> DEEPEN <input type="checkbox"/> OPERATOR CHANGE <input type="checkbox"/> PRODUCTION START OR RESUME <input type="checkbox"/> REPERFORATE CURRENT FORMATION <input type="checkbox"/> TUBING REPAIR <input type="checkbox"/> WATER SHUTOFF <input type="checkbox"/> WILDCAT WELL DETERMINATION	
<input checked="" type="checkbox"/> <b>SUBSEQUENT REPORT</b> Date of Work Completion: 9/10/2009	<input type="checkbox"/> ALTER CASING <input type="checkbox"/> CHANGE TUBING <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS <input type="checkbox"/> FRACTURE TREAT <input checked="" type="checkbox"/> <b>PLUG AND ABANDON</b> <input type="checkbox"/> RECLAMATION OF WELL SITE <input type="checkbox"/> SIDETRACK TO REPAIR WELL <input type="checkbox"/> VENT OR FLARE <input type="checkbox"/> SI TA STATUS EXTENSION <input type="checkbox"/> OTHER	
<input type="checkbox"/> <b>SPUD REPORT</b> Date of Spud:	<input type="checkbox"/> CASING REPAIR <input type="checkbox"/> CHANGE WELL NAME <input type="checkbox"/> CONVERT WELL TYPE <input type="checkbox"/> NEW CONSTRUCTION <input type="checkbox"/> PLUG BACK <input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION <input type="checkbox"/> TEMPORARY ABANDON <input type="checkbox"/> WATER DISPOSAL <input type="checkbox"/> APD EXTENSION	
<input type="checkbox"/> <b>DRILLING REPORT</b> Report Date:	OTHER: _____	
<b>12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.</b> THE OPERATOR HAS PERFORMED A PLUG AND ABANDONMENT ON THE SUBJECT WELL LOCATION, TO DRILL THE NBU 922-31CT WELL LOCATION. PLEASE REFER TO THE ATTACHED PLUG AND ABANDON CHRONOLOGICAL WELL HISTORY.		
<b>Accepted by the</b> <b>Utah Division of</b> <b>Oil, Gas and Mining</b> <b>FOR RECORD ONLY</b> October 13, 2009		
<b>NAME (PLEASE PRINT)</b> Sheila Wopsock	<b>PHONE NUMBER</b> 435 781-7024	<b>TITLE</b> Regulatory Analyst
<b>SIGNATURE</b> N/A	<b>DATE</b> 10/13/2009	

US ROCKIES REGION  
**Operation Summary Report**

Well: NBU 354

Spud Date: 3/12/2001

Project: UTAH-UINTAH

Site: NBU 354

Rig Name No:

Event: ABANDONMENT

Start Date: 9/8/2009

End Date: 9/10/2009

Active Datum: RKB @0.00ft (above Mean Sea Level)

UWI: NBU 354

Date	Time Start-End	Duration (hr)	Phase	Code	Sub Code	P/U	MD From (ft)	Operation
9/8/2009	7:00 - 7:15	0.25		48				JSA RU PRESS TEST BOPS
	7:15 - 15:00	7.75	ABAND	30		P		RD OFF NBU 280 MOVE RIG & EQUIP TO NBU 354 SPOT RIG & EQUIP RU RIG SIWP= 200 PSI PUMP 20 BBLS EACH DOWN TUB & CAS TO CONTROL WELL ND WELL NU BOPS UNLAND TUB NU SCAN TECH POOH W/ 143 JNTS EOT @ 1860' SWIFN
9/9/2009	7:00 - 7:15	0.25		48				JSA W/L SAFETY
	7:15 - 7:15	0.00	ABAND	30		P		SIWP= 50 PSI OPEN WELL TO POOH SCAN LOGING W/ REMAINING TUBING RD SCAN TECH, RU CASSED HOLE SOLUTIONS PERF PU RIH W/CIBP SET @ 5312' POOH W/ W/L RIH W/ 170 JNTS PMP 1ST CEM PLG 14.1 BBLS SLURRY DISP W/ 17 BBLS LD 70 JNTS PMP PLUG #2 BALANCED PLUG @ 3125' 5.1 BBLS SLURRY DISP W/ 10 BBLS LD 35 JNTS PMP PLUG #3 @ 2031' 10.2 BBLS SLURRY DISP W 5.5 BBLS LD 38 JNTS POOH W/13 STANDS SWIFN
9/10/2009	7:00 - 7:15	0.25		48				READY TO PERF IN MORN
	7:15 - 7:15	0.00	ABAND	30		P		JSA PUMP SAFELY  PLUG # 4 RU CASSED HOLE SOLUTIONS PERF @ 1323' RU PRO PETRO FILL HOLE PRESS TO 2000 PSI NO INJ RATE PERF AGAIN @ 1250' PRESS TO 1800 PSI BROKE INJ RATE 4 BPM @ 700 PSI PU 4-1/2" CICR TIH SET @ 1132' NU PRO PETRO PMP 11 BBLS SLURRY STING OUT OF CICR PMP 5.8 BBLS ABOVE CICR POOH LD REMAINING TUB PLUG #5 RU CASSED HOLE SOL RIH PERF @ 350' POOH NU CEMENTERS FILL HOLE NO INJ RATE RIH PERF @ 275' POOH W W/L NU CEM NO INJ RATE RIH W/ 12 JNTS 2-3/8 TUB EOP @380' FILL HOLE W/ CEMENT POOH LD TUB ND WELL RD RIG MOVE OUT OF WAY DIG OUT AROUND WELL W/ BACKHOE W/ WELDER CUT OFF WELLHEAD RUN LINE FILL UP 4-1/2" W/ CEMENT ANULAR WAS FULL . CEMENT TO HIGH TO CUT DEEP ENOUGH HAD TO GET JACK HAMMER TO BREAK AWAY CEMENT WELD MARKER ON CASING